

POSTMASTERS

ARIZONA

George G. Babbitt, Jr., Flagstaff.
 Louisa L. Staggs, Fort Defiance.
 Winnie M. Johnson, Gilbert.
 Josie B. Fenwick, Litchfield Park.
 Mary W. Hand, Winkelman.

ARKANSAS

Mary C. Porter, Alpena Pass.
 Howard R. Nabors, Chidester.
 Joe C. Allen, Cove.
 William L. Ellis, Cullendale.
 Edgar G. Gunnels, Emerson.
 Everett H. Bonds, Gillham.
 Hoyt D. Estep, Hartman.
 William J. Pruitt, Jasper.
 Ruth D. Slaton, Joiner.
 Lora E. Wilkerson, Knobel.
 Thomas W. Moore, Magazine.
 Alvin J. Wages, Norphlet.
 Clyde V. Warr, State College.

KANSAS

George J. Roebach, Arcadia.
 Kathryn Schieferecke, Lenora.

LOUISIANA

Pierre Mistrot, Arnaudville.
 Rene Tate, Eunice.

MASSACHUSETTS

James W. Evans, Fairhaven.
 John Joseph Mackin, Jr., Millers Falls.
 Roy Seward Campbell, Rutland Heights.
 Raymond L. Soule, West Boylston.
 Michael E. Troy, West Stockbridge.
 William P. Hatton, Woronoco.

MICHIGAN

Roland J. Boudreau, Garden.
 William J. Faircloth, Onaway.
 Edith B. Kleiber, Rock.
 Charles A. Vogelheim, Rogers City.

MINNESOTA

J. Harold Johnson, Elmore.
 Andrew Lubinski, Greenbush.
 Theodore Zimmerman, Le Center.
 William W. O'Malley, Le Sueur.
 Carl V. Hawkinson, St. James.

OKLAHOMA

Dudley C. Allsup, Willow.

PENNSYLVANIA

John F. Erdly, Beaver Springs.
 Leslie H. Lockerman, Cheswick.
 Mary Dessie Blayney, Claysville.
 Harry Tarbotton, Sr., Darby.
 Ewing D. Miner, Dunbar.
 Harry D. Farnen, East Butler.
 William Scott Rinedollar, Everett.
 Mildred E. Wagner, Freemansburg.
 Eugene M. Burke, Karns City.
 Earle Phillips Robbins, Knoxville.
 Brian W. Kauffman, Middleburg.
 Arthur O. Shafer, Montoursville.
 Margaret A. Mash, Nanty Glo.
 Robert E. Walley, Sr., Spring City.
 Randall H. Weaver, Worthington.
 Edgar S. Abel, Wrightsville.

TENNESSEE

John W. Nicholson, Ashland City.
 Riley M. Grills, Trimble.

TEXAS

Olive P. Jordan, Beckville.
 Samuel G. Hampton, Goree.
 Herman H. Cooke, Hempstead.

John A. Wilson, Knox City.
 John Henry Read, Memphis.
 Neville W. Durham, Merkel.
 John M. Meiners, Moulton.
 Mary Foster, Waelder.

WITHDRAWALS

*Executive nominations withdrawn from the Senate May 30
 (legislative day of May 12), 1936*

PROMOTIONS IN THE ARMY

TO BE COLONEL

Lt. Col. James Howard Laubach, Quartermaster Corps,
 from May 14, 1936.

TO BE LIEUTENANT COLONEL

Maj. Parley Doney Parkinson, Infantry, from May 14, 1936.

TO BE MAJOR

Capt. William Rebert Gerhardt, Ordnance Department,
 from May 14, 1936.

SENATE

MONDAY, JUNE 1, 1936

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. Z. Barney T. Phillips, D. D., offered the following prayer:

Almighty God, who as at this time didst teach the hearts of Thy faithful people by sending to them the light of Thy Holy Spirit: Grant us by the same spirit to have a right judgment in all things as we face the solemn duties of this day.

Wilt Thou bestow upon our President, our Vice President, and all others in authority, wisdom and strength to know and to do Thy will, and upon every Member of the Senate that nobility of soul which sees in reason and forbearance the highest attributes of courage, that each may speak his truth as God doth bid.

Help us to be pure and honest in our lives, just and irreproachable in our dealings with our fellow men, that we may be ever dear to our friends, honored by our country, and beloved at our firesides. We ask it in the name and for the sake of Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Saturday, May 30, 1936, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	King	Robinson
Austin	Coolidge	La Follette	Russell
Bachman	Copeland	Loftin	Schwellenbach
Bailey	Couzens	Lonergan	Sheppard
Barbour	Davis	Long	Shipstead
Barkley	Dieterich	McAdoo	Smith
Benson	Duffy	McGill	Steiwer
Bilbo	Fletcher	McKellar	Thomas, Okla.
Black	Frazier	McNary	Thomas, Utah
Bone	George	Maloney	Townsend
Borah	Gerry	Minton	Truman
Brown	Gibson	Moore	Tydings
Bulkeley	Glass	Murphy	Vandenberg
Bulow	Guffey	Murray	Van Nuys
Burke	Hale	Neely	Wagner
Byrd	Hastings	Norris	Walsh
Byrnes	Hatch	O'Mahoney	Wheeler
Capper	Hayden	Overton	White
Caraway	Holt	Pope	
Carey	Johnson	Radcliffe	
Chavez	Keyes	Reynolds	

Mr. ROBINSON. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], the Senator from Mississippi [Mr. HARRISON], the Senator from Nevada [Mr. McCARRAN] are absent because of illness, and that the Senator from Texas [Mr. CONNALLY],

the Senator from Ohio [Mr. DONAHEY], the Senator from Oklahoma [Mr. GORE], the Senator from Illinois [Mr. LEWIS], the Senator from Kentucky [Mr. LOGAN], and the Senator from Nevada [Mr. PITTMAN] are unavoidably detained from the Senate.

Mr. AUSTIN. I announce that the Senator from Iowa [Mr. DICKINSON] and the Senator from Rhode Island [Mr. METCALF] are necessarily absent.

The VICE PRESIDENT. Eighty-one Senators have answered to their names. A quorum is present.

COMMITTEE ON ARRANGEMENTS FOR INAUGURATION OF THE PRESIDENT-ELECT

The VICE PRESIDENT appointed the Senator from West Virginia [Mr. NEELY], the Senator from Arkansas [Mr. ROBINSON], and the Senator from Maine [Mr. HALE] as the members on the part of the Senate of the Joint Committee on Arrangements for the Inauguration of the President-elect of the United States, authorized by Senate Concurrent Resolution 38.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution of the Senate of the State of California, favoring the construction and completion of the Central Valley project in California and the making of adequate appropriation therefor, which was ordered to lie on the table.

(See resolution printed in full when presented today by Mr. McAdoo.)

The VICE PRESIDENT also laid before the Senate resolutions adopted by the Armstrong County Central Labor Union, of Kittanning, Pa., and the council of the city of Superior, Wis., favoring the prompt enactment of the so-called Wagner-Ellebogen low-cost housing bill, which were referred to the Committee on Education and Labor.

He also laid before the Senate the petition of International Falls Local No. 159, International Brotherhood of Paper Makers, and several citizens, of International Falls, Minn., favoring the adoption of measures looking to the making of a moderate profit by the newsprint industry, a fair wage by workers, and a fair price for farmers and other pulpwood producers, which was referred to the Committee on Finance.

He also laid before the Senate a telegram in the nature of a memorial from M. J. Steger, secretary, etc., Phoenix, Ariz., remonstrating against the confirmation of the nomination of David W. Ling, of Arizona, to be United States district judge, district of Arizona, which was ordered to lie on the table.

Mr. GEORGE presented a petition of sundry citizens, being railroad employees of the State of Georgia, praying for the repeal of Public Law No. 399 (H. R. 8651), Seventy-fourth Congress, known as the Railroad Retirement Act of 1935, and Public Law No. 400 (H. R. 8652), Seventy-fourth Congress, known as an act to levy excise tax upon carriers and income tax upon their employees, which was referred to the Committee on Interstate Commerce.

Mr. COPELAND presented a petition of sundry citizens of Brooklyn, N. Y., praying for the enactment of a more stringent neutrality law, which was referred to the Committee on Foreign Relations.

He also presented the petition of members of the National Union for Social Justice, of New York City, N. Y., praying for the enactment of the so-called Frazier-Lemke farm-debt refinancing bill, which was ordered to lie on the table.

Mr. WALSH presented a resolution adopted at a meeting of the Student Association of Boston University, College of Liberal Arts, favoring the enactment of the so-called American youth bill, which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by Gas Fitters' Local Union No. 175, Association of Journeymen Plumbers and Steam Fitters, of Boston, Mass., favoring the prompt enactment of the so-called Wagner-Ellebogen low-cost housing bill, which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by the Cambridge (Mass.) Central Labor Union, protesting against the discontinuance of W. P. A. projects and against further lay-offs of workers on such projects, and favoring the expansion of so-called white-collar projects under the W. P. A., which was ordered to lie on the table.

CENTRAL VALLEY PROJECT, CALIFORNIA

Mr. McADOO. I ask unanimous consent to have printed in the RECORD as a part of my remarks and to lie on the table a resolution adopted by the Senate of the Legislature of the State of California in respect to the Central Valley water project.

There being no objection, the resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

Whereas California is in urgent need of the development, conservation, and stabilization of its water resources to prevent the abandonment of thousands of farms and homes and to avert tremendous financial losses; and

Whereas the State of California has prepared a comprehensive coordinated plan for the progressive economic development of the water resources of the State, carefully formulated over a period of 14 years, which provides for the control of floods and salinity encroachment, the improvement of navigation, the conservation and stabilization of water supplies for municipal, irrigation, industrial, and mining uses, and for the generation of electric power; and

Whereas the Legislature of the State of California in 1933 passed the Central Valley Project Act, which was signed by the Governor and was thereafter approved by vote of the people of the State at a special election held on December 19, 1933; and

Whereas the said Central Valley Project Act created the Water Project Authority of the State of California to execute and administer the Central Valley project, which project is a coordinated plan for the immediate needs of the great Central Valley of California; and

Whereas said Central Valley project has been investigated and approved by 13 agencies of the Federal Government and has been recommended for Federal financing; and

Whereas said project has further been recommended by the President's Committee on Water Flow and by the National Resources Board as one of the country's foremost projects for a national program of public works; and

Whereas the House of Representatives has passed H. R. 6732, authorizing the improvement of the Sacramento River in accordance with the plan as set forth in House of Representatives Document No. 35, Seventy-third Congress, which recommends a Federal contribution of \$12,000,000 to the cost of the Kennett Dam of the Central Valley project; and

Whereas the said project will be self-liquidating and the cost thereof will be returned to the Federal Government from revenues obtained by the sale of water and power; and

Whereas the consummation of the said project will enable 50,000 American people to sustain themselves by their present means of livelihood and will prevent their being thrown into the ranks of the unemployed, and, further, will stop the reversion to desert of one-half million acres of highly developed and settled lands, valued at \$100,000,000; and

Whereas a greater degree of flood protection in the Sacramento Valley is highly desirable; and

Whereas the construction of said project will give employment to thousands of workers now unemployed, not only in California but throughout the Nation, thereby relieving unemployment in many branches of industry, particularly in the heavy manufacturing industries in the East and Middle West; and

Whereas the Secretary of the Interior did heretofore report to the President that said project was feasible from engineering, agricultural, and financial standpoints and was adaptable for settlement and farm homes, that the estimated construction cost was adequate, and that the anticipated revenues would be sufficient to return the cost to the United States, and did approve and recommend the construction of said project, which recommendation was thereafter approved by the President; and

Whereas the President did, by virtue of the authority of the Emergency Relief Appropriation Act of 1935, approved April 8, 1935, allocate the sum of \$15,000,000 from the appropriation made under said act to the Department of the Interior, Reclamation Service, to be reimbursable in accordance with the reclamation law, for the construction of the Central Valley project; and

Whereas said project is now in the course of construction in accordance with said allocation and it is imperative that continuing appropriations be made under congressional authorization to assure the successful completion of the project; and

Whereas the cost of said project has been carefully estimated by competent Federal and State authorities to be \$170,000,000 and will be paid to the United States in accordance with the reclamation law out of the revenues of said project; and

Whereas there is now pending before the Congress Department of the Interior appropriation bill, H. R. 10630, which, among other things, authorizes construction of said Central Valley project by the United States, and appropriates for the construction thereof the sum of \$16,000,000 for the fiscal year 1937: Now, therefore, be it

Resolved by the senate, That the State of California, through its legislature, recommends the Central Valley project to the President and to the Congress of the United States as of first and prime

importance to the State of California, and respectfully requests that the construction of said Central Valley project be authorized, and that adequate funds be appropriated so that the construction of said project may be continued, to the end that the same may be completed, thereby conferring lasting benefits not only upon the people of the State of California but upon the entire Nation, and thus affording substantial unemployment relief now vitally necessary and rehabilitating a vast area of valuable and highly developed lands, thereby enabling thousands of American families to sustain themselves on their present farms; and be it further

Resolved, That certified copies of this resolution be transmitted by the secretary of the Senate of the State of California to the President and to the Vice President of the United States, the Speaker of the House of Representatives, and to the Senators and Representatives of the State of California in the Congress.

REPORTS OF COMMITTEES

Mr. KING, from the Committee on Finance, to which was referred the bill (H. R. 12395) to provide revenue, equalize taxation, and for other purposes, reported it with amendments and submitted a report (No. 2156) thereon.

Mr. BLACK (for himself and Mr. LA FOLLETTE), from the Committee on Finance, submitted minority views on the bill (H. R. 12395) to provide revenue, equalize taxation, and for other purposes, which were ordered to be printed as part 2 of Senate Report No. 2156.

Mr. POPE, from the Committee on Irrigation and Reclamation, to which was referred the bill (S. 4062) to provide for a survey of the Cabinet Gorge on the Clark Fork of the Columbia River, reported it with amendments and submitted a report (No. 2157) thereon.

He also, from the same committee, to which was referred the bill (S. 4142) for the relief of owners of property damaged by high waters in the Blackfoot Reservoir, reported it with an amendment and submitted a report (No. 2158) thereon.

Mr. WALSH, from the Committee on Education and Labor, to which was referred the bill (S. 4424) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the development of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes, reported it with amendments.

Mr. COOLIDGE, from the Committee on Immigration, to which was referred the bill (H. R. 4900) to amend the naturalization laws in respect of residence requirements, and for other purposes, reported it without amendment and submitted a report (No. 2159) thereon.

Mr. WAGNER, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 4713) validating a town-lot certificate and authorizing and directing issuance of a patent for the same to Ernest F. Brass, reported it with amendments and submitted a report (No. 2161) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. GEORGE:

A bill (S. 4730) to authorize the issuance of a special series of postage stamps commemorative of the one hundredth anniversary of the founding of Wesleyan Female College; to the Committee on Post Offices and Post Roads.

By Mr. WALSH:

A bill (S. 4731) to exempt fraternal societies from the tax on employers under the Social Security Act; to the Committee on Finance.

By Mr. SHEPPARD:

A bill (S. 4732) for the relief of Walter G. Harrell; to the Committee on Military Affairs.

By Mr. ROBINSON (for Mr. HARRISON):

A bill (S. 4733) for the relief of Thomas A. Smith; to the Committee on Military Affairs.

RETIREMENT FOR OFFICIALS OF FEDERAL BUREAU OF INVESTIGATION—AMENDMENT

Mr. McKELLAR submitted an amendment intended to be proposed by him to the bill (S. 4552) to extend the retirement privilege to the Director, Assistant Directors, inspectors, and special agents of the Federal Bureau of Investigation, which was ordered to lie on the table and to be printed.

INFORMATION PERTAINING TO COTTON COOPERATIVE ASSOCIATIONS

Mr. McKELLAR submitted a resolution (S. Res. 310), which was ordered to lie on the table, as follows:

Resolved, That the Farm Credit Administration be, and it is hereby, directed to furnish immediately to the Senate copies of the following documents:

1. Report on general functional survey, American Cotton Cooperative Association and member associations, January 30, 1932.
2. Operating plans and policies of the Georgia Cotton Cooperative Association, 1933-34 and 1934-35 seasons, September 1935. O. W. Hermann.
3. An analysis of the operating policies of the Georgia Cotton Growers' Association. June 21, 1932. Fetrow and Hermann.
4. Copy of the Report No. 40, made by O. W. Hermann.
5. A statement of accounts between the Government and the American Cotton Cooperative Association.
6. A statement of the account between the Government and the various State cotton cooperatives.
7. What loans the Farm Credit Administration expects to make to the American Cotton Cooperative Association or any of its subsidiaries during the present year.

FEDERAL EXPENDITURES FOR COTTON COOPERATIVES—EXTENSION OF SENATE RESOLUTION 185

Mr. McKELLAR submitted the following resolution (S. Res. 313), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the authority conferred by Senate Resolution 185, concerning expenditures by the Federal Government for cotton cooperatives, etc., agreed to August 24, 1935, be, and the same is hereby, extended and continued in force until the expiration of the Seventy-fifth Congress.

ASSISTANT CLERK TO COMMITTEE ON PATENTS

Mr. McADOO submitted the following resolution (S. Res. 311), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Patents is hereby authorized to employ for the duration of the Seventy-fifth Congress an assistant clerk, to be paid from the contingent fund of the Senate at the rate of \$2,400 per annum.

JIMMY REILLY—APPOINTMENT OF SPECIAL MESSENGER

Mr. McNARY submitted the following resolution (S. Res. 312), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Sergeant at Arms of the Senate be, and he is hereby, authorized and directed to appoint Jimmy Reilly, who has been an employee of the Senate since 1903, a special messenger at the special gallery door of the Senate Chamber, and that, so long as the position is held by him, and until otherwise provided by law, he shall receive compensation at the rate of \$2,400 per annum, to be paid from the contingent fund of the Senate.

RAMEY BROS.—CONFERENCE REPORT

Mr. BAILEY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1362) for the relief of Ramey Bros., of El Paso, Tex., having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments.

JOSIAH W. BAILEY,

JOHN G. TOWNSEND, Jr.,

Managers on the part of the Senate.

AMBROSE J. KENNEDY,

W. A. PITTENGER,

J. BURWOOD DALY,

Managers on the part of the House.

The report was agreed to.

MR. AND MRS. BRUCE LEE—CONFERENCE REPORT

Mr. BAILEY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3952) for the relief of Mr. and Mrs. Bruce Lee, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate; and agree to the same.

JOSIAH W. BAILEY,

JOHN G. TOWNSEND, Jr.,

EDWARD R. BURKE,

Managers on the part of the Senate.

AMBROSE J. KENNEDY,

W. A. PITTENGER,

Managers on the part of the House.

The report was agreed to.

IMMIGRATION AND DEPORTATION OF ALIENS

Mr. REYNOLDS. Mr. President, I have here five statistical tables compiled from the annual reports of the present Commissioner of Immigration and Naturalization and his predecessors, and I ask to have them printed in the CONGRESSIONAL RECORD at this point, because of the studied, erroneous, and misleading statements of the present Commissioner of Immigration and Naturalization last Monday in an address that appeared in the CONGRESSIONAL RECORD last Thursday, May 28, in which he says we have no immigration or alien problem and that public men who say we have are merely "playing politics."

The first two tables, A and B, compiled, as I said, from the annual reports of the Commissioner, reveal that during the first 10 years of the 1924 Quota Restriction Act, 1925-35, 3,687,547 aliens of all classes entered the United States lawfully; that our immigration officers actually counted the noses of 3,687,547 aliens entering our country legally. Doubtless, judging by the large number of high-powered autos, speed boats, and airplanes seized smuggling aliens in, as many more millions must have entered illegally.

The second pair of tables, C and D, likewise compiled from the same official sources, show that during the past 5 fiscal years, 1931 to 1935, inclusive, 949,903 aliens of all classes entered the United States legally.

No one knows how many aliens left the country. No immigration official is charged with counting aliens departing, except the aliens mandatorily deported. All we know about alien departures, other than alien deportees, is what the

steamship companies, an "interested party", say. It seems to me immaterial how many the steamships report departing. Even if the nearly 7,000,000 aliens, the last and only official enumeration we have record of in the United States, left the country during the past 5 years, still we should not have allowed the 949,903 aliens who entered legally to have come into our country. We should not have allowed a single alien job seeker or alien dependent to have come here, because his coming was sure to further increase our unemployment and relief problems just that much. We have enough unemployed and enough public charges; and enough radicals, and enough criminals, and enough lawbreakers, and enough Communists without allowing not only another one to enter but to justify the prompt deportation of every such alien here.

These official statistics show there is an immigration problem, that too many aliens are entering legally, and too many are also entering illegally, and that existing alien-deportation statutes are not being enforced as they have been or as they should be. I am getting sick and tired of the present Commissioner running about the country from border to border, coast to coast, and resort to resort making statements that cannot be substantiated by the facts, and casting slurs upon Members of Congress by publicly asserting that those of us who are not in accord with his views are merely "playing politics."

I ask unanimous consent that the tables may be printed in the RECORD.

There being no objection, the statement and tables were ordered to be printed in the RECORD, as follows:

TABLE A.—Aliens admitted to the United States under the provisions of the Immigration Act of 1924, from 1925 to 1935

[Compiled from the annual reports of the Commissioner General of Immigration and from figures furnished by the Commissioner of Immigration and Naturalization]

	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	10-year total
Quota immigrants.....	145,971	157,432	158,070	153,231	146,918	141,497	54,118	12,983	8,220	12,483	990,923
Nonquota immigrants.....	250,912	249,916	284,227	247,768	232,435	198,004	132,688	88,064	78,210	72,986	1,835,210
(a) Residents returning from visit.....	64,632	83,754	95,910	94,502	101,007	99,154	91,442	67,057	62,610	55,169	815,237
(b) New immigrants.....	186,280	166,162	188,317	153,266	131,428	98,850	41,246	21,007	15,600	17,817	1,019,973
i. Relatives of citizens.....	7,217	11,154	18,505	25,761	30,313	32,105	17,264	9,490	6,658	7,891	166,358
ii. Natives of nonquota countries ¹	175,865	151,454	189,735	124,122	97,785	63,404	21,375	9,461	7,549	8,237	815,987
iii. Ministers, professors, etc.....	1,736	1,551	1,853	1,404	1,264	1,340	943	660	380	475	11,596
iv. Students ²	1,462	1,920	1,833	1,816	1,898	1,902	1,538	1,266	877	1,048	15,580
v. Women, formerly citizens.....					132	72	97	105	101	134	641
vi. Miscellaneous.....		2,003	6,391	163	48	27	29	25	35	32	8,753
Nonimmigrant aliens.....	60,203	88,758	95,704	99,632	99,974	106,713	93,873	73,824	64,298	78,435	861,414
i. Government officials, etc.....	1,950	5,666	5,683	6,348	6,266	6,389	4,973	3,844	4,053	4,363	49,535
ii. Temporary visitors, business.....	14,461	19,951	22,515	21,570	21,465	23,442	17,150	13,741	11,360	13,068	178,723
iii. Temporary visitors, pleasure.....	20,865	36,663	37,993	43,011	42,845	47,381	38,486	26,724	25,539	36,765	356,272
iv. Persons in transit through United States.....	22,697	25,974	28,312	27,257	27,776	27,991	32,169	28,678	22,693	23,687	266,834
v. Admitted to trade under a treaty.....	230	904	1,201	1,446	1,622	1,510	1,095	837	653	552	10,050
SUMMARY											
New immigrants:											
Quota immigrants.....	145,971	157,432	158,070	153,231	146,918	141,497	54,118	12,983	8,220	12,483	990,923
Nonquota immigrants.....	186,280	166,162	188,317	153,266	131,428	98,850	41,246	21,007	15,600	17,817	1,019,973
Total.....	332,251	323,594	346,387	306,497	278,346	240,347	95,364	33,990	23,820	30,300	2,010,896
Nonquota returning residents.....	64,632	83,754	95,910	94,502	101,007	99,154	91,442	67,057	62,610	55,169	815,237
Nonimmigrant aliens.....	60,203	88,758	95,704	99,632	99,974	106,713	93,873	73,824	64,298	78,435	861,414
Total admissions, all classes.....	457,086	496,106	538,001	500,631	479,327	446,214	280,679	174,871	150,728	163,904	3,687,547

¹ Persons born in Canada, Newfoundland, Mexico, Cuba, Haiti, Dominican Republic, Canal Zone, or independent countries of Central or South America, and their wives and unmarried children under 18 years of age.

² Students are really not new immigrants as they are admitted only during period of study, and must leave at the end of that period.

TABLE B.—Quota immigration visas issued by the Department of State 1925-34, under the Immigration Act of 1924

[NOTE.—The number of visas issued is generally slightly higher than the number admitted, as shown in the first line of table A above. This is due to the fact that some visas are not utilized, and for several similar minor reasons.]

	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	Total
Total quota.....	164,667	164,667	164,667	164,667	164,667	153,714	153,831	153,831	153,831	153,774	1,592,199
Quota visas issued.....	160,616	161,857	162,396	162,429	155,912	150,879	48,528	12,697	7,954	13,900	1,037,168
First preference visas:											
(a) Relatives of citizens.....	6,114	6,713	6,790	7,209	6,470	8,459	6,713	3,743	1,964	2,715	56,890
(b) Farmers (new workers).....	22,490	13,343	18,145	18,679	17,129	15,108	4,240	55	47	26	109,285
Second preference visas: Relatives of aliens.....					25,508	24,325	10,742	4,027	2,211	2,494	69,307
Nonpreference visas: Chiefly new workers.....	132,012	141,796	137,461	136,541	106,805	102,987	26,833	4,872	3,732	8,665	801,704

TABLE C.—Aliens deported from the United States, 1925-34

	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	Total
Criminals.....	637	793	953	1,211	1,409	1,711	1,773	1,709	1,770	1,569	13,535
Narcotic-law violators.....	42	76	54	67	52	44	44	138	167	122	806
Anarchists, etc.....	22	4	9	1	1	1	18	51	74	20	201
Immoral classes.....	336	417	597	565	395	700	884	906	785	383	5,968
Mental or physical defects.....	913	1,243	1,042	1,106	672	1,042	952	1,107	1,056	662	9,795
Remained longer than permitted.....		26	192	1,165	2,064	2,019	2,835	3,284	3,143	986	15,719
Entered without proper visa.....	2,723	4,582	5,404	5,367	6,874	6,694	6,205	8,167	9,099	3,611	58,786
Likely to become public charge.....	1,761	889	571	478	373	305	1,240	187	166	98	6,068
Unable to read (over 16 years of age).....	474	494	708	333	63	2,696	2,086	1,403	1,393	539	10,169
Under Chinese Exclusion Act.....	93	178	141	139	33	166	207	516	249	101	1,823
Other causes.....	2,494	2,202	1,931	1,193	972	1,253	1,918	1,958	1,958	788	16,667
Total.....	9,495	10,904	11,662	11,625	12,908	16,631	18,142	19,426	19,865	8,879	139,537

TABLE D.—Aliens admitted to the United States under provisions of the Immigration Act of 1924
[Compiled from official figures furnished by the United States Commissioner of Immigration and Naturalization]

	1931	1932	1933	1934	1935	Total
I. Quota immigrants.....	54,118	12,983	8,220	12,483	17,207	105,011
II. Nonquota immigrants:						
(a) Alien residents of United States returning from visit.....	91,442	67,057	62,610	55,169	51,081	327,359
(b) Students, admitted for temporary stay.....	1,538	1,266	877	1,048	1,377	6,106
(c) New immigrants.....	39,708	19,741	14,723	16,769	17,572	108,513
i. Husbands of citizens.....	527	296	1,232	1,021	705	3,781
ii. Wives of citizens.....	9,684	5,779	3,643	4,348	4,925	28,379
iii. Children of citizens.....	7,053	3,415	1,783	2,522	3,598	18,371
iv. Natives, nonquota countries ¹	21,139	9,328	7,475	8,183	7,661	53,786
v. (Their wives and unmarried children) ¹	236	133	74	54	86	583
vi. Ministers, professors, their wives and children.....	943	660	380	475	458	2,916
vii. Women, formerly citizens.....	97	105	101	134	116	553
viii. Miscellaneous.....	29	25	35	32	23	144
III. Nonimmigrant aliens:						
(a) Government officials, families, servants, etc.....	4,975	3,844	4,053	4,363	5,194	22,427
(b) Temporary visitors for business.....	17,150	13,741	11,360	13,068	13,166	68,435
(c) Temporary visitors for pleasure.....	38,486	26,724	25,539	36,765	48,467	175,981
(d) In continuous transit through United States.....	32,169	28,678	22,693	23,687	24,931	132,158
(e) To trade under treaty.....	1,095	837	653	552	726	3,863

SUMMARY OF ALIENS ADMITTED TO THE UNITED STATES 1931 TO 1935, INCLUSIVE

	1931	1932	1933	1934	1935	Total
New immigrants:						
Quota immigrants.....	54,118	12,983	8,220	12,483	17,207	105,011
Nonquota immigrants.....	39,708	19,741	14,723	16,769	17,572	108,513
Total new immigrants.....	93,826	32,724	22,943	29,252	34,779	213,524
Other than new immigrants:						
Returning residents.....	91,442	67,057	62,610	55,169	51,081	327,359
Students.....	1,538	1,266	877	1,048	1,377	6,106
Nonimmigrant aliens.....	93,873	73,824	64,298	78,435	92,484	402,914
Total.....	186,853	142,147	127,785	134,652	144,942	736,379
Total, all admissions.....	280,679	174,871	150,728	163,904	179,721	949,903

¹ Natives of nonquota countries include persons born in Canada, Newfoundland, Mexico, Cuba, Haiti, Dominican Republic, Canal Zone, or independent countries of Central or South America. The separate classification for their wives and children shows only those who were born in quota countries, but come in under the man's non-quota status.

NOTE.—The official figures for new immigrants admitted for permanent residence always differ slightly from figures developed as above. This is because in establishing these figures, it is necessary to take into account laws prior to the 1924 act in the classification, even though all admissions actually occur under the provisions of the 1924 act. The official figures for immigrants admitted for permanent residence are: 1931, 97,139; 1932, 35,576; 1933, 23,068; 1934, 29,470; 1935, 34,956; 5-year total, 220,209.

NOTATION.—The only statistics available as to the number of aliens departing from the United States is what the steamship companies report, except aliens mandatorily deported, who are counted "out" by the immigration officials. The only official and dependable statistics as to the number of aliens in the United States is the last census. There is no question but that aliens illegally and unlawfully in our country, whose number has been variously estimated by foreign-born and pro-alien at 150,000 to 5 or 6 or 7 millions by patriotic Americans, avoided and evaded our census enumerators. With 12 millions unemployed and our relief rolls and charities, public and private, strained to the breaking point, it is immaterial how many aliens depart. If the nearly 7 million here had left last year still there would have been 5 million of our own citizens, native and naturalized, unemployed. We did not need to import and should have excluded every alien job seeker or dependent that came.

TABLE E.—Aliens deported from the United States

	1931	1932	1933	1934	1935
Criminals.....	1,773	1,709	1,770	1,569	1,632
Federal narcotic law violators.....	44	138	167	122	111
Anarchists, etc.....	18	51	74	20	17
Immoral classes.....	884	906	785	383	413
Mental or physical defects.....	952	1,107	1,056	662	510
Remained longer than permitted.....	2,835	3,284	3,148	986	786
Entered without proper visa.....	6,205	8,167	9,099	3,611	2,824
Likely to become public charge.....	1,240	187	166	98	33
Unable to read (over 16 years old).....	2,066	1,403	1,393	539	416
Under Chinese Exclusion Act.....	207	516	249	101	77
Had previously been deported.....	1,003	1,202	1,010	359	933
Miscellaneous causes.....	915	756	948	429	567
Total deported.....	18,142	19,426	19,865	8,879	8,319
Deportable aliens allowed to depart voluntarily at own expense.....	11,719	10,775	10,347	8,010	7,978
Grand total.....	29,861	30,201	30,212	16,889	16,297

TEACHING OR ADVOCACY OF COMMUNISM IN DISTRICT PUBLIC SCHOOLS

Mr. THOMAS of Utah. Mr. President, the Senate today passed over Senate bill 4370, introduced by Senator WHEELER, repealing what is known as the "red rider", in connection with the public schools of the District of Columbia. The bill had the unanimous support of the Senate Committee on Education and Labor.

I ask unanimous consent to have inserted in the Appendix of the RECORD a memorandum prepared by Richard W. Hogue, director of the Independent Legislative Bureau, of Washington, concerning this bill.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

I beg to submit this memorandum on a measure which many organizations and individuals believe should receive the immediate attention of Congress.

Favorable action, without a dissenting vote, has been taken by the committee of the Senate and the House to which the measure was referred. This action followed extensive hearings by the House committee. With the exception of the Hearst papers, it has been strongly endorsed by practically the entire press of the country. The issue involved has aroused such general interest that a Nation-wide poll has recently been taken by the American Institute of Public Opinion. The published results of that poll show that a large majority in favor of the principle embodied in the bill was cast in every State in the Union.

THE ISSUE AT STAKE

The measure referred to provides for the repeal of the so-called "red rider", which the facts show was adopted not only without consideration but without the knowledge of almost every Member of Congress. The issue at stake involves:

1. The undoing of a serious though inadvertent wrong that places the Members of Congress in a false light before the country, and particularly before educators and students.
2. The lifting of an unjust ban of legislative coercion in the field of local school administration.
3. The removal from the National Capital of a dangerous precedent for political control of teachers.

It is these issues that have aroused public opinion as expressed by the Nation-wide poll referred to and by such organizations as the National Education Association with its membership of over 200,000 public-school superintendents, principals, and teachers. At its annual convention this association vigorously called for the repeal of the "red rider."

THE EVIDENCE

Conclusive evidence in favor of the immediate repeal of the "red rider" is set forth in the 283 pages of the printed hearings before the House committee. From this source the following summary is submitted:

1. The few witnesses in favor of retaining the "red rider" offered testimony which was chiefly a mass of irrelevancy, hearsay, or second-hand material. The part of their testimony that was relevant was discredited as either contrary to the facts or based upon misunderstanding or misinterpretation of the facts. This is amply shown in the report of the committee.
2. The effect of the "red rider" has been the very reverse of its alleged purpose. It has created an unhealthy interest in the subject of communism among public-school children. It has aroused the curiosity that always attaches to a forbidden and mysterious subject. Denied information at the hands of trained teachers, this curiosity seeks satisfaction from less trustworthy sources.
3. It has given school children misleading and harmful impressions. One of these reflects upon the Members of Congress who allowed the "red rider" to be enacted into law. That impression is, as expressed by one high-school student, that "it's just plain dumb."

A second impression is that something is wrong with their teachers when they are forbidden by law to handle a subject they have hitherto taught.

This has resulted in lowering classroom morale and lessening the respect and confidence of pupil toward teacher.

A third impression is that the American Government is either so frail or so devoid of public loyalty and support as to be endangered by contrast with the Soviet system of proletarian dictatorship.

4. It is an unmerited and unjust reflection upon the teaching profession. It places the whole body of teachers under suspicion, despite their unbroken record of loyalty to the oath each teacher has signed without protest. The testimony fails to show a single case of a teacher who has advocated communism or any "subversive" doctrine.

5. It is a reflection upon the Board of Education and upon the body that selects its members, namely, the Supreme Court of the District. The evidence shows that there is absolutely no excuse for the implied charge that the board members are either disloyal or guilty of gross neglect. The facts show that the reverse is true and that the present school board members are men and women of genuine patriotism, marked competence, and a strong sense of public duty.

6. It is as unnecessary as it is unjustified. It accomplishes nothing more than the long existing oath of loyalty which the teachers have lived up to. Violation of that oath and the teaching of subversive doctrines were amply provided against before the "red rider" was thought of. The Board of Education is empowered to dismiss a disloyal teacher and the Supreme Court can remove a disloyal member of that board. The fact that neither of these steps has had to be taken is a significant tribute to both the teachers and the school board. It should be sufficient cause for removing the uncalled-for insult which the "red rider" constitutes.

7. It is an unwarranted and unparalleled intrusion of legislative restriction and coercion in the field of school administration and discipline. No State has seen fit to enact similar legislation. Its effect is subversive of the American principle of committing administrative school matters to local boards of education. Congress should not inflict such demoralizing and undemocratic legislation on the residents and the schools of the Nation's Capital City or set such a precedent for the country at large.

8. It has placed both Congress and the District schools in an unfair and a false light before the people of the country.

9. Its imposition on the schools of Washington does not represent the considered judgment of the Congress. It was attached as permanent legislation to an appropriation bill, contrary to the rules

of both Houses. Few members of either party in either House knew that it had been inserted at the last moment in the conference report of an appropriation bill covering 33 pages. It was not subject to debate, it was not even subject to a point of order.

Congress is not in the habit of allowing faulty and unfair legislation to be enacted by default. When such a thing happens it should be speedily corrected. The first step toward this end has been taken. Committees in both Houses have endorsed the repeal bill. The next step is the passage of the bill. This step should be taken promptly.

PROPOSED TRANSIENT LEGISLATION—EDITORIAL FROM FLORIDA TIMES-UNION

Mr. FLETCHER. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Florida Times-Union of May 29, 1936, under the heading "Proposed Transient Legislation."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Florida Times-Union of May 29, 1936]

PROPOSED TRANSIENT LEGISLATION

There is pending in the United States Senate a measure affecting the transient problem of America that should receive favorable action at this session. Introduced by Senator POPE, of Idaho, the measure provides for the appointment of a special Senate committee to study, survey, and investigate the movement of indigent persons across State lines.

It is receiving the support of the Florida Transient Coordinating Committee, the National Committee on the Care of Transients and Homeless, and other organizations concerned with obtaining legislation to deal with the problem from a Nation-wide standpoint. Joseph S. Diver, vice chairman of the Florida committee, returning to Jacksonville from a visit to Washington and New York, reports that the measure, in the form of a resolution, has been referred to the Senate Committee on Education and Labor and that action may be expected within a few days.

Transiency has become during the last few years one of the Nation's most serious welfare problems. It is a problem that places unnecessary burdens on different communities throughout the country as the seasons change. Persons who normally make their homes in one section get the idea into their heads that they may be able to find a job in some distant community, and by whatever means possible set out on a journey in that direction, depending upon the people resident in the intermediate areas to provide them with food, clothing, and lodging.

Others—thousands upon thousands of them—prefer the nomadic life of a transient, wandering from place to place, to remaining for any length of time in a city or community. Those belonging to this class are largely of the confirmed "panhandler" class. They don't want work and wouldn't do a day's labor unless forced to. Formerly they were known as "hoboes", but the more modern description has elevated them to the general classification of "transient." Under whatever name, however, they form a part of the general problem created by the migratory element of the American people.

What the country needs as a weapon to deal with these conditions is a law that will place transiency up to the Federal Government for its solution. Federal laws have been enacted to protect the birds of the air—those which fly from the far north southward each fall to enjoy the climate of this section and return northward when the days of spring arrive. The Government should not discriminate in favor of one and against another.

There is this to be said in favor of the feathered birds, however: They manage to find their own food and shelter by their own efforts during their stay in the South. They do not fly around from place to place making a nuisance of themselves by calling on the native birds for the use of nests already built, nor for food already stored as the result of the natives' efforts. If they did make a nuisance of themselves they would not receive the protection of the Government. Soon they would find themselves unwelcome and become the target of the hunters' guns.

There may be some variance in the analogy of the transients and the birds, but it is sufficiently accurate to emphasize the idea that better control should be established of the transient movement, and that control should be in the hands of the Federal authorities. It is an interstate proposition and should be placed on a basis where transiency can be governed adequately, without placing a hardship on anyone desiring to move from one State to another who is able to show that he is capable of taking care of himself and not becoming a charge upon a community other than that in which he was reared.

Nothing should be done by a transient-control program, however, that would curb the ambition of a man to improve his station in life by migrating from one place to another. That is not the motive behind the plans to study the problem. Something should be done, though, to keep the indigent and ne'er-do-wells within the confines of the areas that produced them, instead of letting them roam over and land at their will, eking out an existence as best they can. When such control is established, perhaps the respective communities will pay more attention to the training of youth along proper lines and other measures designed to build the finest type of citizenship.

If by the adoption of the resolution authorizing a study of the problem the Senate can start the transient ball rolling in this desirable direction, then hasten the action and let the work begin.

PROHIBITION OF PRICE DISCRIMINATION

Mr. McNARY. Mr. President, on Saturday afternoon the Senator from Arkansas [Mr. ROBINSON] referred to the anomalous procedure followed by the other House with respect to Senate bill 3154, and stated his desire to have the bill which was passed by the House, being House bill 8442, considered, and to substitute for its provisions the bill as heretofore passed by the Senate by striking out all after the enacting clause of the House bill. At that time I objected because some Senators signified a desire to study the procedure, as it was rather unusual, made so by the action of the House. After conference with those who desired to consider the matter, and after it has been explained, I find no objection to the procedure suggested by the Senator from Arkansas, as it will take the bill to conference, where it should be. So I withdraw the objection I made at that time.

Mr. ROBINSON. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 8442, being the so-called price-discrimination bill. I will state that it is my intention, if the request be granted, to move to strike out all after the enacting clause of the House bill and to insert the language of the bill passed by the Senate.

The VICE PRESIDENT. Is there objection?

Mr. AUSTIN. Mr. President, reserving the right to object, I wish to call attention to something at this time in order to bring it out into relief. I do not doubt that it will be noticed and properly attended to, but I wish to call attention to it because I regard it as important. I refer to the change made by House bill 8442 in the Senate bill in one certain respect more than any other; that is, in taking off the limitation or the standard as contained in the Senate bill with respect to the power of the Federal Trade Commission to fix quantity limits. The Senate bill provided a yardstick or a guide in that respect to the effect that where the Federal Trade Commission finds "that available purchasers in greater quantities are so few as to render differentials on account thereof unjustly discriminatory or promotive of monopoly in any line of commerce", then the Federal Trade Commission may exercise the power of fixing quantity limits and of changing the limits from time to time as may be found necessary by them.

The House bill has in it no such yardstick, no such standard, no basis for the exercise of legislative power, but provides as follows:

That the Federal Trade Commission, after due investigation and hearing to all interested parties, following insofar as applicable the procedure and subject to the recourse of the courts, provided in section 11 of this act, may issue an order fixing and establishing quantity limits and revising the same as it finds necessary, as to particular commodities or classes of commodities, and the foregoing shall then not be construed to permit differentials based on differences in quantities greater than those so fixed and established.

In other words, it is an unrestricted, unlimited power to legislate. I merely invite attention to it in order to bring it out in relief for the benefit of those who may have under consideration the conflicts between the House and Senate bills.

Mr. ROBINSON. Mr. President, I merely wish to say that I think the suggestion just made by the Senator from Vermont is well worthy of consideration by the conferees.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arkansas to proceed to the consideration of the bill?

There being no objection the Senate proceeded to consider the bill (H. R. 8442) to amend section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), and for other purposes.

Mr. ROBINSON. I offer an amendment in the nature of a substitute, to strike out all after the enacting clause and insert the text of the bill heretofore passed by the Senate.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. It is proposed to strike out all after the enacting clause and in lieu thereof to insert the following:

That section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), is amended to read as follows:

"Sec. 2. (a) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, either directly or indirectly, to discriminate in price or terms of sale between different purchasers of commodities of like grade and quality where either or any of the purchases involved in such discrimination are in commerce, where such commodities are manufactured or produced and sold for use, consumption, or resale within the United States or any Territory thereof or the District of Columbia or any insular possession or other place under the jurisdiction of the United States, and where the effect of such discrimination may be substantially to lessen competition or tend to create a monopoly in any line of commerce, or to injure, destroy, or prevent competition with any person who either grants or knowingly receives the benefit of such discrimination, or with customers of either of them: *Provided*, That where such commodities are sold for use in further manufacture and in the production of a new product to be sold to the public, nothing herein contained shall prevent discrimination in price by reason of differences in quantity of the commodity sold: *Provided further*, That nothing herein contained shall prevent differentials in prices as between purchasers depending solely upon whether they purchase as factors, or wholesalers, or retailers, or consumers, or for use in further manufacture; nor differentials which make only due allowance for differences in the cost, other than brokerage, of manufacture, sale, or delivery resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered; nor differentials which are based exclusively upon recognized changes in the market price of the product or products sold: *Provided, however*, That the Federal Trade Commission may, after due investigation and hearing to all interested parties, fix and establish quantity limits, and revise the same as it finds necessary, as to particular commodities or classes of commodities, where it finds that available purchasers in greater quantities are so few as to render differentials on account thereof unjustly discriminatory or promotive of monopoly in any line of commerce; and the foregoing shall then not be construed to permit differentials based on differences in quantities greater than those so fixed and established: *And provided further*, That nothing herein contained shall prevent persons engaged in selling goods, wares, or merchandise in commerce from selecting their own customers in bona-fide transactions and not in restraint of trade: *And provided further*, That nothing herein contained shall prevent price changes from time to time where, in response to changing conditions affecting the market for or the marketability of the goods concerned, such as but not limited to actual or imminent deterioration of perishable goods, obsolescence of seasonal goods, distress sales under court process, or sales in good faith in discontinuance of business in the goods concerned: *And provided further*, That nothing herein contained shall prevent discrimination in price in the same or different communities made in good faith to meet competition.

"(b) Upon proof being made, at any hearing on a complaint under this section, that there has been discrimination in price or services or facilities furnished, the burden of rebutting the prima-facie case thus made by showing justification shall be upon the person charged with a violation of this section, and unless justification shall be affirmatively shown, the Commission is authorized to issue an order terminating the discrimination: *Provided, however*, That nothing herein contained shall prevent a seller rebutting the prima-facie case thus made by showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor.

"(c) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, to pay or grant, or to receive or accept, anything of value as a commission, brokerage, or other compensation, or any allowance or discount in lieu thereof, in connection with the sale or purchase of goods, wares, or merchandise, either to the other party to such transaction or to an agent, representative, or other intermediary therein where such intermediary is acting in fact for or in behalf, or is subject to the direct or indirect control, of any party to such transaction other than the person by whom such compensation is so granted or paid.

"(d) That it shall be unlawful for any person engaged in commerce to pay or contract for the payment of anything of value to or for the benefit of a customer of such person in the course of such commerce as compensation or in consideration for any services or facilities furnished by or through such customer in connection with the processing, handling, sale, or offering for sale of any products or commodities manufactured, sold, or offered for sale by such person, unless—

"(1) such payment or consideration is offered on proportionally equal terms to all other customers competing in the distribution of such products or commodities; or unless

"(2) the business, identity, or interests of such customer are in no way publicly associated, by name, reference, allusion, proximity, or otherwise, with or in the furnishing of such services or

facilities, and the consideration paid therefor does not exceed the fair value of such services or facilities in the localities where furnished.

"(e) For purposes of suit under section 4 of this act, the measure of damages for any violation of this section shall, where the fact of damage is shown, and in the absence of proof of greater damage, be presumed to be the pecuniary amount or equivalent of the prohibited discrimination, payment, or grant involved in such violation; limited, however—

"(1) Under subsections (a) and (c) above, by the volume of plaintiff's business in the goods concerned, and for the period of time concerned, in such violation;

"(2) Under subsection (d) above, to the amount or share, or its pecuniary equivalent, to which plaintiff would have been entitled if the payment concerned in such violation had been made or offered in accordance with paragraph (1) of said subsection (d).

"(f) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, knowingly to induce or receive a discrimination in price or terms of sale which is prohibited by this section.

"(g) Nothing in this section contained shall prevent the sale or purchase of crude mineral products or metals in the form in which they are loaded for shipment at prices or terms of sale based upon differences in the grade, quality, or quantity of such products, or that make only due allowance for differences in the cost of selling or transportation, or discrimination in the price of such products in the same or different communities made in good faith to meet competition.

"(h) It shall be unlawful for any person engaged in commerce, in the course of such commerce, to be a party to, or assist in, any transaction of sale, or contract to sell, which discriminates to his knowledge against competitors of the purchaser in that any discount, rebate, allowance, or advertising service charge is granted to the purchaser over and above any discount, rebate, allowance, or advertising service charge available at the time of such transaction to said competitors in respect of a sale of goods of like grade, quality, and quantity; to sell, or contract to sell, goods in any part of the United States at prices lower than those exacted by said person elsewhere in the United States for the purpose of destroying competition, or eliminating a competitor in such part of the United States; or to sell, or contract to sell, goods at unreasonably low prices for the purpose of destroying competition or eliminating a competitor.

"Nothing in this subsection shall prevent a cooperative association from returning to producers or consumers, or a cooperative wholesale association from returning to its constituent retail members, the whole, or any part of, the net surplus resulting from its trading operations in proportion to purchases from, or sales to, the association.

"Any person violating any of the provisions of this subsection shall, upon conviction thereof, be fined not more than \$5,000 or imprisoned not more than 1 year, or both."

THE VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Arkansas.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MR. ROBINSON. I move that the Senate insist on its amendment, ask for a conference, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. LOGAN, Mr. VAN NUYS, Mr. MCGILL, Mr. BORAH, and Mr. AUSTIN conferees on the part of the Senate.

MR. ROBINSON. Mr. President, I ask unanimous consent to make a brief statement, which will only require 4 or 5 minutes, relating to the bill just passed.

THE VICE PRESIDENT. Is there objection? The Chair hears none.

MR. ROBINSON. Mr. President, there have been unaccountable misrepresentations concerning the bill to amend section 2 of the Clayton Act relating to price discrimination. It is not possible to take note of everything published that is misleading and untrue, but this seems an appropriate time, briefly, to make clear in a general way, for the understanding of the public, the purposes of the legislation.

In illustration of the misrepresentations to which reference is made attention is now invited to an editorial in Collier's Weekly, published May 23, 1936. Editors usually inform themselves before expressing opinions on measures involving public policy. The editor who wrote the editorial mentioned was either ignorant or deliberately unfair in some of his statements.

For instance, referring to the bill which passed the Senate, which is closely analogous to the House bill, he said:

The purpose, of course, is to use the taxing power to restrict the growth of the chains and to benefit the independent dealers.

Neither the Senate bill nor the House bill employs the taxing power or has any reference to it.

Again, the editorial contains the statement:

Nobody thinks that chain stores or any other agency ought to have secret rebates or any other special privileges such as were current in the past. Senator ROBINSON, however, seeks to deny to the chains advantages which other merchants are allowed to enjoy.

The sole purpose of the proposed legislation is to prevent unfair discriminations by a seller in favor of certain purchasers who have enormous buying power. This is sought to be accomplished chiefly by outlawing rebates, discounts, and other allowances not made in good faith, but granted for the actual purpose of giving the beneficiary of such allowances unfair advantage over competitors.

The editorial concedes the merit of the legislation when it declares that—

Nobody thinks that chain stores or any other agency ought to have secret rebates or any other special privilege such as were current in the past.

Another misleading statement by Collier's in the same connection is the following:

For example, the chain stores would, by his bill, be deprived of the advantages of large-scale buying. The Senator would in effect fix the price for large orders and small orders.

This last statement contains two assertions, both of which are unsupported by the facts. First, the bill does not deprive the chain stores of the advantage of fair large-scale buying. It expressly makes allowances for such advantage when based on differences in cost. Second, it does not fix any price either for large or small orders, and merely forbids unfair discriminations in price. The seller may dispose of his commodities at any price that he pleases, and he may allow discounts for large orders, provided the discounts are based on the differences in cost.

Another statement in the editorial that is not justified by the language in the bill is:

In cunningly devised phraseology the Federal Trade Commission would be instructed by the law not to do anything of benefit to the chain stores in fixing these prices and limits.

The sole authority vested by either bill in the Federal Trade Commission is that contained in the Senate bill which authorizes the Federal Trade Commission to fix the quantity on which discounts for large purchases may be based. This is sought to be done in order to prevent monopoly.

Finally the editorial declares:

Rebates of any kind are improper and should be prohibited by law, but that law should deal equally and justly with all.

That is exactly what the legislation seeks to accomplish. Many believe that monopoly inevitably will result in excessive prices to consumers, and that unless the rule of equality be applied monopoly in many spheres will become inevitable through unfair discriminations in favor of large buyers who may, in order to drive their feeble competitors out of existence, sell for a time at prices which it is impossible for their competitors to meet.

It is surprising that a publication enjoying the reputation that Collier's has established should give publicity to untruthful declarations and to fallacious arguments such as are embraced in the editorial referred to.

EXTENSION OF INVESTIGATION OF SO-CALLED RACKETS AND RACKETEERING

MR. COPELAND. Mr. President, on page 28 of the calendar is stated the resolution (S. Res. 306) extending the authority for an investigation of so-called rackets and racketeering. It is desired that the authority given shall be continued during the next Congress without any appropriation.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 306), submitted by Mr. COPELAND on May 26, 1936, was read, considered, and agreed to, as follows:

Resolved, That the authority conferred by Senate Resolution No. 74, Seventy-third Congress, first session, authorizing an investigation of the matter of so-called rackets, with a view to their suppression, and Senate Resolution No. 196, Seventy-third Congress, second session, enlarging the scope of the investigation of so-called rackets and racketeering practiced in the United States, shall be extended and continued in force until the expiration of the Seventy-fifth Congress.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts:

On May 26, 1936:

S. 560. An act for the relief of the Western Electric Co., Inc.;

S. 760. An act for the relief of Harry P. Hollidge;

S. 1328. An act for the relief of the Snare & Triest Co., now Frederick Snare Corporation;

S. 2520. An act for the relief of T. D. Randall & Co.; and

S. 4317. An act to authorize the Secretary of War to grant to the city of Buffalo, N. Y., the right and privilege to occupy and use for sewage-disposal facilities part of the lands forming the pier and dikes of the Black Rock Harbor improvement at Buffalo, N. Y.

On May 27, 1936:

S. 3789. An act authorizing the Secretary of Commerce to convey the Charleston Army Base Terminal to the city of Charleston, S. C.; and

S. 4023. An act to provide for the continuation of trading in unlisted securities upon national securities exchanges, for the registration of over-the-counter brokers and dealers, for the filing of current information and periodic reports by issuers, and for other purposes.

On May 28, 1936:

S. 4448. An act to authorize the coinage of 50-cent pieces in commemoration of the one hundred and fiftieth anniversary of the issuance of the charter to the city of Lynchburg, Va.

On May 29, 1936:

S. 1186. An act for the relief of Frank P. Ross; and

S. 1490. An act for the relief of Earl A. Ross.

THE CALENDAR

The VICE PRESIDENT. If there be no resolutions coming over from a previous day, morning business is closed. Under the rule and under the unanimous-consent agreement entered into on Saturday last, the calendar, under rule VIII, is in order. The clerk will state the first business in order on the calendar.

BILLS PASSED OVER

The bill (S. 944) to amend section 5 of the Federal Trade Commission Act was announced as first in order.

Mr. VANDENBERG and Mr. McKELLAR. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 213) to amend section 113 of the Criminal Code of March 4, 1909 (35 Stat. 1109; U. S. C., title 18, sec. 203), and for other purposes, was announced as next in order.

Mr. McKELLAR. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1506) to change the name of the Pickwick Landing Dam to Quin Dam was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 574) relative to Members of Congress acting as attorneys in matters where the United States has an interest was announced as next in order.

Mr. McKELLAR. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 509) to prevent the use of Federal offices or patronage in elections and to prohibit Federal officeholders

from misuse of positions of public trust for private and partisan ends was announced as next in order.

Mr. McKELLAR. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 24) to assure to persons within the jurisdiction of every State the equal protection of the laws by discouraging, preventing, and punishing the crime of lynching was announced as next in order.

Mr. McKELLAR. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1452) providing for the employment of skilled shorthand reporters in the executive branch of the Government was announced as next in order.

Mr. KING. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 87) to prevent the shipment in interstate commerce of certain articles and commodities, in connection with which persons are employed more than 5 days per week or 6 hours per day, and prescribing certain conditions with respect to purchases and loans by the United States, and codes, agreements, and licenses under the National Industrial Recovery Act, was announced as next in order.

Mr. VANDENBERG. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1460) to fix standards for till baskets, climax baskets, round stave baskets, market baskets, drums, hampers, cartons, crates, boxes, barrels, and other containers for fruits or vegetables, to consolidate existing laws on the subject, and for other purposes, was announced as next in order.

Mr. McKELLAR. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 212) to liquidate and refinance agricultural indebtedness at a reduced rate of interest by establishing an efficient credit system, through the use of the Farm Credit Administration, the Federal Reserve Banking System, and creating a board of agriculture to supervise the same, was announced as next in order.

Mr. McKELLAR. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1476) to provide for unemployment relief through development of mineral resources, to assist the development of privately owned mineral claims, to provide for the development of emergency and deficiency minerals, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 476) relating to promotion of civil-service employees was announced as next in order.

Mr. KING. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1952) extending the classified executive civil service of the United States was announced as next in order.

Mr. McKELLAR. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2405) to provide for a special clerk and liaison officer was announced as next in order.

Mr. KING. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 916) to carry into effect the decision of the Court of Claims in favor of claimants in French spoliation was announced as next in order.

Mr. VANDENBERG and Mr. McKELLAR. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2583) establishing certain commodity divisions in the Department of Agriculture was announced as next in order.

Mr. VANDENBERG. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 379) to provide for the deportation of certain alien seamen, and for other purposes, was announced as next in order.

Mr. COPELAND and other Senators. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1632) to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by water carriers operating in interstate and foreign commerce, and for other purposes, was announced as next in order.

Mr. McKELLAR. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3072) to amend the Tariff Act of 1930, as amended, was announced as next in order.

Mr. COPELAND. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2969) to authorize the deportation of criminals, to guard against the separation from their families of aliens of the noncriminal classes, to provide for legalizing the residence in the United States of certain classes of aliens, and for other purposes, was announced as next in order.

Mr. RUSSELL and other Senators. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1826) for the retirement of employees in the classified civil service to include employees in the legislative branches was announced as next in order.

SEVERAL SENATORS. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 8555) to develop a strong American merchant marine, to promote the commerce of the United States, to aid in national defense, and for other purposes, was announced as next in order.

Mr. COPELAND (and other Senators). Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3420) to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by aircraft in interstate and foreign commerce, and for other purposes, was announced as next in order.

Mr. McKELLAR. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3393) to create a Federal Board of Foreign Trade was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

WELFARE OF AMERICAN SEAMEN

The Senate proceeded to consider the bill (S. 2003) to amend section 13 of the act of March 4, 1915, entitled "An act to promote the welfare of American seamen in the merchant marine of the United States; to abolish arrest and imprisonment as a penalty for desertion and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea", which had been reported from the Committee on Commerce with an amendment.

Mr. COPELAND. Mr. President, it will be recalled that this bill has been on the calendar for a long time; and I ask that House bill 8597, Calendar No. 2163, which is an identical bill coming from the House, as amended by the Senate, may be substituted for the Senate bill and considered. The bill has to do with safety of life at sea.

The VICE PRESIDENT. Is there objection to substituting the House bill for the Senate bill? The Chair hears none.

The Senate proceeded to consider the bill (H. R. 8597) to amend section 13 of the act of March 4, 1915, entitled "An act to promote the welfare of American seamen in the merchant marine of the United States; to abolish arrest and imprisonment as a penalty for desertion, and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea"; to maintain discipline on shipboard; and for other purposes, which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and to insert:

That section 13 of the act of March 4, 1915, be amended to read as follows:

"SEC. 13. (a) That no vessel of 100 tons gross and upward, except those navigating rivers exclusively and the smaller inland lakes and except as provided in section 1 of this act, shall be permitted to depart from any port of the United States unless she has on board a crew not less than 75 percent of which, in

each department thereof, are able to understand any order given by the officers of such vessel, nor unless 65 percent of her deck crew, exclusive of licensed officers and apprentices, are of a rating not less than able seamen. Every person shall be rated an able seaman, and qualified for service as such on the seas, who is 19 years of age or upward, and has had at least 3 years' service on deck at sea or on the Great Lakes, on a vessel or vessels to which this section applies, including decked fishing vessels, and vessels in United States Government service; and every person shall be rated an able seaman, and qualified to serve as such on the Great Lakes and on the smaller lakes, bays, or sounds who is 19 years of age or upward and has had at least 18 months' service on deck at sea or on the Great Lakes or on the smaller lakes, bays, or sounds, on a vessel or vessels to which this section applies, including decked fishing vessels and vessels in the United States Government service; and graduates of school ships approved by and conducted under rules prescribed by the Secretary of Commerce may be rated able seamen after 12 months' service at sea after graduation: *Provided*, That no boy shall be shipped on any vessel to which this section applies unless he is physically qualified to join the Navy and that no boy shall be placed on the lookout or at the wheel except for the purpose of learning, and that in narrow and crowded waters or in low visibility none below the rating of able seaman shall be permitted at the wheel: *Provided further*, That no deck boy shall be held qualified to fill the place of ordinary seaman until he has had at least 6 months' service as deck boy: *Provided further*, That upon examination, under rules prescribed by the Department of Commerce as to eyesight, hearing, and physical condition, such persons or graduates are found to be competent: *Provided further*, That upon examination, under rules prescribed by the Department of Commerce as to eyesight, hearing, physical condition, and knowledge of the duties of seamanship, a person found competent may be rated as able seaman after having served on deck 12 months at sea or on the Great Lakes, but seamen examined and rated able seamen under this proviso shall not in any case compose more than one-fourth of the number of able seamen required by this section to be shipped or employed upon any vessel.

"(b) Application may be made to any board of local inspectors for a certificate of service as able seaman, and upon proof being made to said board by affidavit and examination, under rules approved by the Secretary of Commerce, showing the nationality and age of the applicant, the vessel or vessels on which he has had service, that he is skilled in the work usually performed by able seamen, and that he is entitled to such certificate under the provisions of this section, the board of local inspectors shall issue to said applicant a certificate of service as able seaman, which shall be retained by him and be accepted as prima-facie evidence of his rating as an able seaman.

"(c) Each board of local inspectors shall keep a complete record of all certificates of service issued by them and to whom issued and shall keep on file the affidavits and records of examinations upon which said certificates are issued.

"(d) The collector of customs may, upon his own motion, and shall, upon the sworn information of any reputable citizen of the United States setting forth that this section is not being complied with, cause a muster of the crew of any vessel to be made to determine the fact, at which muster said reputable citizen must be present; and no clearance shall be given to any vessel failing to comply with the provisions of this section: *Provided*, That the collector of customs shall not be required to cause such muster of the crew to be made unless said sworn information has been filed with him for at least 6 hours before the vessel departs, or is scheduled to depart: *Provided further*, That any person that shall knowingly make a false affidavit for such purpose shall be deemed guilty of perjury and upon conviction thereof shall be punished by a fine not exceeding \$500 or by imprisonment not exceeding 1 year, or by both such fine and imprisonment, within the discretion of the court. Any violation of any provision of this section by the owner, master, or officer in charge of the vessel shall subject the owner of such vessel to a penalty of not less than \$100 and not more than \$500: *Provided further*, That the Secretary of Commerce shall make such rules and regulations as may be necessary to carry out the provisions of this section, and nothing herein shall be held or construed to prevent the Board of Supervising Inspectors, with the approval of the Secretary of Commerce, from making rules and regulations authorized by law as to vessels excluded from the operation of this section: *And provided further*, That no certificate of service as able seaman shall be issued by any board of local inspectors until after examination of the applicant therefor, under rules and regulations prescribed by the Secretary of Commerce, as to his efficiency, and upon proof, as a result of such examination, that he has been trained in and is acquainted with the duties entitling him to such rating. No seaman shall be considered an 'able seaman' within the meaning of the laws of the United States relating to the manning of vessels unless he is in possession of such certificate issued by the board of local inspectors. All certificates as 'able seaman' and 'lifeboatman' issued by the several boards of local inspectors or other Federal officers prior to the passage of this act shall, within 6 months thereafter, be surrendered to such boards of local inspectors for cancellation, and there shall be issued in lieu thereof to all able seamen, and lifeboatmen found qualified by such examination new certificates as required by law: *Provided*, That if due to inability on the part of the Department of Commerce to carry out the provisions of this subsection with regard to

all seamen, the Secretary of Commerce may, in his discretion, extend the time for a period not to exceed 3 months. Such new certificates shall be stamped with the seal of the board of local inspectors, placed partially over the signature of the applicant for such certificate; and there shall be attached thereto a photograph of the applicant. Any other safeguards which, in the judgment of the Secretary of Commerce, may be necessary and advisable to establish the authenticity of the certificate, are hereby authorized.

"(e) No vessel to which this section applies may be navigated unless all of the complement in her engine department above the rating of coal passer or wiper and below the rating of licensed officer shall be holders of a certificate of service as a qualified member of the engine department. The local inspectors of the Bureau of Marine Inspection and Navigation shall, upon application and examination as to competence and physical condition, as prescribed by the Secretary of Commerce, issue such a certificate of service. An applicant for such rating shall produce to such inspectors definite proof of at least 6 months' service at sea in a rating at least equal to that of coal passer or wiper in the engine department of vessels required by this act to have such certificated men.

"(f) As to the certificates of service or efficiency, the Secretary shall promulgate rules covering the form, contents, and manner of issuance, which shall include a provision that copies of these and all documents pertaining thereto be filed in the local offices and in the central office in Washington.

"(g) That the boards of local inspectors of the Bureau of Marine Inspection and Navigation shall, without examination (except food handlers who must be free from communicable disease), issue to all members of the crews of merchant vessels of the United States (except licensed officers), certificates of service for ratings other than as able seamen or a qualified member of the engine department, which certificates shall authorize them to serve in the capacities specified in such certificates: *Provided*, That such certificates shall not issue before oath has been taken before one of the said inspectors that the applicant therefor will faithfully and honestly perform all the duties required of him by law, and carry out the lawful orders of his superior officers on ship-board, and, in the case of a radio operator, shall produce to the local inspectors his unexpired license issued by the Federal Communications Commission to act in that capacity: *And provided further*, That when a certificate has been revoked or suspended under the provisions of subsection (h) of this section, a new certificate shall not be issued until a board of local inspectors shall determine that the issue of such new certificate is compatible with the requirements of good discipline and safety at sea.

"(h) That all certificates of service or efficiency issued by the Bureau of Marine Inspection and Navigation shall be subject to suspension or revocation on the same grounds and in the same manner and with like procedure as is provided in the case of suspension or revocation of licenses of officers under the provisions of section 4450 of the Revised Statutes.

"(i) It shall be unlawful to employ any person, or for any person to serve aboard any merchant vessel of the United States below the rating of licensed officer, who has not a certificate of service issued by a board of local inspectors, and anyone violating this section shall be liable to a penalty of \$100 for each offense.

"(j) This section is not to amend or repeal any of the provisions of chapter 3 of title 47, United States Code—Telegraphs, Telephones, and Radio Telephones.

"(k) Nothing herein shall be construed to impose, sanction, or permit any condition of involuntary servitude nor to impair, restrict, or limit the right of any seaman to leave the service of any vessel when in a safe harbor.

"(l) This section shall take effect 6 months after the enactment of this act: *Provided*, That if it is found impracticable on the part of the Department of Commerce to furnish the certificates herein provided, the Secretary of Commerce may, in his discretion, extend the effective date for a period not exceeding 3 months."

Sec. 2. That section 2 of the act of March 4, 1915, is hereby amended to read as follows:

"Sec. 2. That in all merchant vessels of the United States of more than 100 tons gross, excepting those navigating rivers, harbors, lakes (other than Great Lakes), bays, sounds, bayous, and canals, exclusively, the licensed officers and sailors, coal passers, firemen, oilers, and water tenders shall, while at sea, be divided into at least three watches, which shall be kept on duty successively for the performance of ordinary work incident to the sailing and management of the vessel. The seamen shall not be shipped to work alternately in the fireroom and on deck, nor shall those shipped for deck duty be required to work in the fireroom, or vice versa; nor shall any licensed officer or seaman in the deck or engine department be required to work more than 8 hours in 1 day; but these provisions shall not limit either the authority of the master or other officer or the obedience of the seamen when in the judgment of the master or other officer the whole or any part of the crew are needed for maneuvering, shifting berth, mooring, or unmooring, the vessel or the performance of work necessary for the safety of the vessel, her passengers, crew, and cargo, or for the saving of life aboard other vessels in jeopardy, or when in port or at sea, from requiring the whole or any part of the crew to participate in the performance of fire, lifeboat, or other drills. While such vessel is in a safe harbor no seaman shall be required to do any unnecessary work on Sundays or the following-named days: New Year's Day, the Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day, but this shall not prevent the dispatch of a vessel on regular schedule or when ready to proceed on her voyage. And at all times while such vessel is in a safe harbor, 8 hours, inclusive

of the anchor watch, shall constitute a day's work. Whenever the master of any vessel shall fail to comply with this section and the regulation issued thereunder, the owner shall be liable to a penalty not to exceed \$500, and the seaman shall be entitled to discharge from such vessel and to receive the wages earned. But this section shall not apply to fishing or whaling vessels, or yachts."

Sec. 3. Section 4551 of the Revised Statutes (U. S. C., title 46, sec. 643) is amended to read as follows:

"Sec. 4551. (a) Every seaman upon a merchant vessel of the United States of the burden of 100 gross tons or upward, except vessels employed exclusively in trade on the navigable rivers of the United States, shall be furnished with a book, to be known as a 'continuous discharge book', which shall be retained by him and which shall contain the signature of the seaman to whom it is so furnished and a statement of his nationality, age, personal description, photograph, and home address. Such books shall be in such form and issued by the shipping commissioners and collectors and deputy collectors of customs at ports where no shipping commissioners have been appointed in such manner as the Director of Bureau of Marine Inspection and Navigation, subject to the approval of the Secretary of Commerce, shall determine. Any person, corporation, or association, other than a shipping commissioner, who shall issue or cause to be issued any such book or imitation thereof, or any person, other than the real owner, who uses or endeavors to use any such book, or who makes any statement or endorsement in any such book not herein authorized, shall be deemed guilty of a misdemeanor and shall be imprisoned not less than 1 month nor more than 3 months, in the discretion of the court.

"(b) Upon the discharge of any seaman and the payment of his wages, the shipping commissioner shall enter in the continuous discharge book of such seaman the name of the vessel, the nature of the voyage (foreign or coastwise), the class to which the vessel belongs (steam, motor, sail, or barge), the date and place of the shipment and of the discharge of such seaman, and the rating then held by such seaman. Whenever a seaman is discharged in any collection district where no shipping commissioner has been appointed, the master of the vessel shall perform the duties of such commissioner and shall make the proper entries in such continuous discharge book; and when the seamen are not required by law to be signed on and discharged before a shipping commissioner, the master shall make such proper entries in the discharge book. Any master who fails to make such entries shall be fined the sum of \$50 for each such offense.

"(c) There shall be maintained in the Bureau of Marine Inspection and Navigation in Washington a record of every discharge book and certificate issued under the provisions of this act, together with the name and address of the seaman to whom it is issued, his next of kin, and a certified copy of all discharge entries in such book, which copy shall be forwarded to such Bureau by the shipping commissioner or person duly authorized to act as such before whom such holder is discharged.

"(d) In case of the loss of a book by shipwreck or other casualty the seaman shall be supplied with another discharge book, in which shall be entered all data contained in the last book so far as this may be available from copies of records kept by the Bureau of Marine Inspection and Navigation; in other cases of loss the seaman may obtain a duplicate of such book containing the same entries upon payment of a sum equivalent to the cost thereof to the Government, to be determined from time to time by the Secretary of Commerce."

Sec. 4. (a) The local inspectors of the Bureau of Marine Inspection and Navigation shall inspect the crew quarters of every American vessel at least once in each month, or at such times as such vessel shall enter an American port, and shall satisfy themselves that such quarters are of the size required by law or regulations issued thereunder, are properly ventilated and in a clean and sanitary condition, and are equipped with the proper plumbing and mechanical appliances required by law or regulations issued thereunder, and that such plumbing and mechanical appliances are in good working order and condition.

(b) Whenever it shall be found that the crew quarters of any such vessel are not of the size required by law or regulations issued thereunder or are not properly ventilated or are not in a clean and sanitary condition or are not equipped with the proper plumbing and mechanical appliances required by law or regulations issued thereunder, or that such plumbing and mechanical appliances are not in good working order and condition, the appropriate board of local inspectors shall withdraw the certificate of inspection of such vessel and refuse to reissue the same until such improper conditions have been corrected; and the master or other licensed officer of such vessel who shall have willfully or negligently permitted such vessel to be in such improper condition shall be subject to a penalty of not more than \$500.

Sec. 5. (a) From and after the enactment of this act all licensed officers and pilots of vessels of the United States, shall be citizens of the United States, native-born, or completely naturalized.

(b) From and after the enactment of this act upon each departure of any such vessel from a port of the United States, 75 percent of the crew in each department thereof, excluding licensed officers, shall be citizens of the United States, native-born or completely naturalized, and thereafter the percentage of citizens as above defined shall be increased 5 percent per annum until 90 percent of the crew in each department of such vessels shall be citizens of the United States, native-born, or completely naturalized, unless the Secretary of Commerce shall, upon investigation, ascertain that such citizen seamen are not available, when, under such conditions, he may reduce the above percentages.

(c) If any vessel while on a foreign voyage is for any reason deprived of the services of any member of the crew, such position or vacancy caused by the promotion of another to such position may be supplied by a person other than defined in paragraph (a) and (b) until the first call of such vessel at a port in the United States where such replacements can be obtained.

(d) The owner, agent, or officer of any such vessel, who shall employ any person in violation of the provisions of this section, shall be subject to a penalty of \$500 for each offense.

Sec. 6. That any person who (1) shall receive or have in his possession any certificate, license, or document issued to vessels or officers or seamen by the Bureau of Marine Inspection and Navigation or by any officer or employee of the United States authorized by law to represent such Bureau, to which he is not lawfully entitled, with intent unlawfully to use the same; or (2) shall use or exhibit or attempt to use or exhibit any such certificate, license, or document to which he is not lawfully entitled; or (3) shall alter or change, or attempt to change, any such certificate, license, or document by addition, interpolation, deletion, or erasure; or (4) shall forge, counterfeit, or steal, or shall attempt to forge, counterfeit, or steal, any such certificate, license, or document; or (5) shall unlawfully have in his possession, or knowingly use any such altered, changed, forged, counterfeit, or stolen certificate, license, or document; or (6) shall print or manufacture, or cause to be printed or manufactured, any blank form of such certificate, license, or document without first obtaining the authority of the Bureau of Marine Inspection and Navigation; or (7) shall have in his possession without lawful excuse, and with intent unlawfully to use the same, any blank form or such certificate, license, or document; or (8) shall in any manner transfer, or cause to be so transferred, or negotiate such transfer of, any blank form of such certificate, license, or document, or any such altered, changed, forged, counterfeit, or stolen certificate, license, or document, or any such certificate, license, or document to which the party transferring or receiving the same is not lawfully entitled; or (9) shall aid or abet the perpetration of any of the foregoing acts shall for each offense, upon conviction thereof, be fined not more than \$5,000 or imprisoned for not more than 5 years, or both.

Sec. 7. The Secretary of Commerce shall enforce this act as to all vessels of the United States subject to the provisions of this act through collectors of customs and other Government officers acting under the direction of the Bureau of Marine Inspection and Navigation, and shall make such rules and regulations as he may deem necessary to carry out the provisions of this act.

Sec. 8. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, and the application of the provisions thereof, shall not be affected thereby.

Sec. 9. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The VICE PRESIDENT. Without objection, Senate bill 2003 will be indefinitely postponed.

BILLS, ETC., PASSED OVER

The bill (S. 3646) to repeal an act of March 3, 1933, entitled "An act to provide for the transfer of powder and other explosive materials from deteriorated and unserviceable ammunition under the control of the War Department to the Department of Agriculture for use in land clearing, drainage, road building, and other agricultural purposes", was announced as next in order.

Mr. McKELLAR. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 3604) to place William H. Clinton on the retired list of the Navy was announced as next in order.

SEVERAL SENATORS. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3113) to provide a government for American Samoa was announced as next in order.

SEVERAL SENATORS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 205) providing for disposition of certain cotton held by the United States was announced as next in order.

Mr. AUSTIN. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

FRANCIS GERRITY

The bill (S. 3627) for the relief of Francis Gerrity was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Francis Gerrity shall be held and considered as having been honorably discharged from the military service of the United

States as a private, Troop D, Fourth Regiment United States Cavalry, on December 16, 1901: *Provided,* That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

BILLS PASSED OVER

The bill (S. 3659) to promote the efficiency of the Judge Advocate General's Department of the Army was announced as next in order.

Mr. McKELLAR. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3726) to provide suitable rank for the Deputy Chief of Staff, United States Army, was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3580) granting and confirming to the East Bay Municipal Utility District, a municipal utility district of the State of California and a body corporate and politic of said State and a political subdivision thereof, certain lands, and for other purposes, was announced as next in order.

Mr. JOHNSON. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 70) for the relief of agriculture, the producers of livestock, and the producers of raw materials generally, and for other purposes, was announced as next in order.

Mr. KING and Mr. VANDENBERG. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

J. HAROLD ARNOLD

The joint resolution (H. J. Res. 179) authorizing the President to present in the name of Congress a medal of honor to J. Harold Arnold was considered, ordered to a third reading, read the third time, and passed.

The title was amended so as to read: "Joint resolution authorizing the President to present the Navy Cross to J. Harold Arnold."

BILLS PASSED OVER

The bill (H. R. 9074) granting pensions to certain soldiers and sailors of the Regular Army and Navy, etc., and certain soldiers and sailors of wars other than the Civil War, and to widows and dependents of such soldiers and sailors was announced as next in order.

Mr. McKELLAR. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 3044) to amend the act of May 29, 1930 (46 Stat. 349), for the retirement of employees in the classified civil service and in certain positions in the legislative branch of the Government to include all other employees in the legislative branch was announced as next in order.

Mr. KING and Mr. VANDENBERG. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 4886) providing for the employment of skilled shorthand reporters in the executive branch of the Government was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3500) to develop a strong American merchant marine, to promote the commerce of the United States, to aid national defense, and for other purposes, was announced as next in order.

Mr. COPELAND. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

E. C. WILLIS

The Senate proceeded to consider the bill (H. R. 5867) for the relief of E. C. Willis, father of the late Charles R. Willis, a minor, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of", to strike out "\$5,000" and insert "\$3,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to E. C. Willis, father of the late Charles R. Willis, a minor, the sum of \$3,000 in full settlement of all claims against the Government of the United States for fatal injuries suffered by the said Charles R. Willis as a result of a Government-owned truck operated by an employee of the Government striking an automobile operated by the said Charles R. Willis near Sikes, La., November 18, 1933: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any

agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILLS PASSED OVER

The bill (H. R. 6719) to amend the Canal Zone Code was announced as next in order.

Mr. GIBSON, Mr. DAVIS (and other Senators). Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2609) for the relief of Charles G. Johnson, State treasurer of the State of California was announced as next in order.

Mr. JOHNSON. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

JOHN B. AND NANNIE B. MEISINGER

The bill (H. R. 8039) for the relief of John B. Meisinger and Nannie B. Meisinger was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 3075) for the relief of John L. Summers, former disbursing clerk, Treasury Department, and various former treasurers of the United States was announced as next in order.

Mr. McKELLAR. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

PASSAIC VALLEY SEWERAGE COMMISSIONERS

The Senate proceeded to consider the bill (S. 3143) for the relief of the Passaic Valley Sewerage Commissioners, which had been reported from the Committee on Claims with an amendment.

Mr. McKELLAR. Mr. President, may we have an explanation of this bill?

Mr. BARBOUR. Mr. President, this bill provides for a payment in the amount of \$109,088.03 to the Passaic Valley Sewerage Commissioners, a public body created under the laws of the State of New Jersey. The report of the Committee on Claims states the circumstances and all the facts very fully; but briefly—for I am very familiar with all the details—the Court of Claims found that on December 21, 1923, the *Leviathan*, bound from New York, stopped at a point about 2½ miles outside of the Ambrose Channel and there took on the pilot, one Joseph A. Bigley. With the pilot in charge, the *Leviathan* collided with one of the principal pipes of the plaintiff sewerage system laid in the bottom of the harbor at a point outside the channel through which the ship should have been navigated.

There was no dispute at all, and never has been, so far as I know, as to the amount of damage suffered or the circumstances which brought about the damage. The court has found that the claimant had no recourse in a court of admiralty; that while the pilot was negligent, the owner cannot be held responsible; so that the only way in which the Passaic Valley Sewerage Commissioners can be reimbursed is through congressional action.

I do not think, as I have said, that there is any item or fact in dispute here at all. The occurrence is a well-known one. It has been carefully investigated.

Mr. McKELLAR. This claim was committed to the Court of Claims, was it not?

Mr. BARBOUR. Yes.

Mr. McKELLAR. What did the Court of Claims hold? Did they hold that the commission was entitled to recover?

Mr. BARBOUR. No; the Court of Claims held, as I have said, that the claimant, as a public body of the State of New Jersey, had no recourse in admiralty; that they had no re-

course against the steamship; and that their only recourse against the Government, because of the fact that the pilot was in command of the ship at the time, was through congressional action. In other words, there is no way in which this money can be recovered other than in the way we are now seeking to do it.

Mr. McKELLAR. What did the court hold about the amount?

Mr. BARBOUR. There is no dispute at all, may I say again to the Senator, about the amount. I can assure the Senator of that. It is a very long, well-known case; and the report, as I said at the outset, is very full and goes into all the details. The amount of damages which I have mentioned has been itemized in the report, as the Senator will see on page 4; and the opinion, which is along the line of what I have said, is certified to, as I understand, by Willard L. Hart, Chief Clerk, Court of Claims of the United States.

Mr. McKELLAR. Was the claim ever submitted to any department and a recommendation had?

Mr. BARBOUR. I think it may be truthfully said that this whole situation has gone through the gamut of everything it can go through, and the present relief is the only relief that can be afforded. It is justifiable relief for proven damage that undoubtedly was done. There is no good reason why it should not be accorded. It is not a private matter. The money will not go into the pockets of individuals, as I understand; it will go to the commissioners as such. I very much hope the bill will pass. I feel that it ought to pass.

The VICE PRESIDENT. The amendment of the committee will be stated.

The amendment was to add at the end of the bill a proviso, so as to make the bill read:

*Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$109,088.03 to the Passaic Valley Sewerage Commissioners, a body politic and corporate, created by and under the laws of the State of New Jersey, and by said laws vested with the title to the Passaic Valley sewer, for damage done to the outlet of said sewer at or near Robbins Reef in the harbor of New York by the steamship *Leviathan*, a passenger vessel owned by the Government of the United States and operated under the direction and control of the United States Shipping Board and the United States Shipping Board Emergency Fleet Corporation, on the 21st day of December 1923: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.*

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INDIANS OF FORT BELKNAP RESERVATION, MONT.

The Senate proceeded to consider the bill (S. 3373) to credit the tribal funds of the Indians of the Fort Belknap Indian Reservation in Montana with certain sums expended therefrom for the purchase and maintenance of a tribal herd, and for the purchase of horses destroyed during a dourine epidemic, which had been reported from the Committee on Indian Affairs, with amendments.

Mr. McKELLAR. Mr. President, may we have a statement about this bill?

Mr. WHEELER. Mr. President, this is a bill to reimburse the Indians of the Fort Belknap Indian Reservation for certain losses. They had a herd of cattle on the reservation which was entirely under the control of the Government. This is a case in which the Government invested some Indian money in a herd of cattle. There was a great deal of difficulty with it; and, as a result, the Indians lost something like \$71,000 of their money through the negligence of the Government agents, and through what the Indians contend was graft and corruption on the reservation. The second item is for \$14,000 to reimburse the Indians for horses killed by the Government during a dourine epidemic.

Mr. McKELLAR. The Government killed them?

Mr. WHEELER. The Government killed them.

The VICE PRESIDENT. The amendments of the committee will be stated.

The amendments were, on page 1, line 6, after the word "exceeding", to strike out "\$72,000" and insert "\$71,138.20"; and on the same page, line 8, before the word "shall", to strike out "\$16,000" and insert "\$14,355"; so as to make the bill read:

Be it enacted, etc., That the amount of tribal funds of the Indians of the Fort Belknap Indian Reservation, Mont., heretofore expended for the purchase and maintenance of a tribal herd of cattle, not exceeding \$71,138.20, and for the purchase of horses destroyed during a dourine epidemic, not exceeding \$14,355, shall be reimbursed from the Treasury of the United States and placed to the credit of the Fort Belknap Tribe and be available for such expenditures for the benefit of said tribe as Congress may hereafter direct.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OSCAR GUSTOF BERGSTROM

The bill (H. R. 3914) for the relief of Oscar Gustof Bergstrom was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 3879) for the relief of James W. Grist was announced as next in order.

Mr. McKELLAR. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

MONTIE HERMANSON

The bill (H. R. 9170) for the relief of Montie Hermanson was considered, ordered to a third reading, read the third time, and passed.

JOSEPH M. PURRINGTON

The bill (H. R. 11052) for the relief of Joseph M. Purrington was considered, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 3041) to authorize the appointment of John Easter Harris as a major, Corps of Engineers, Regular Army, was announced as next in order.

Mr. McKELLAR. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3405) for the relief of Capt. James W. Darr was announced as next in order.

Mr. McKELLAR. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 11690) relating to the admissibility in evidence of certain writings and records made in the regular course of business was announced as next in order.

SEVERAL SENATORS. Over.

The VICE PRESIDENT. The bill will be passed over.

AMENDMENT OF INTERSTATE COMMERCE ACT

The bill (S. 1636) to amend the Interstate Commerce Act, as amended, and for other purposes, was announced as next in order.

Mr. McNARY. Mr. President, the senior Senator from Delaware [Mr. HASTINGS] desired to offer an amendment to this bill. I thought he was on the floor, but he has stepped out of the Chamber.

Mr. WHEELER. Mr. President, the Senator from Delaware just spoke to me about this matter, and asked me to have the bill go over temporarily. He has an amendment which he desires to submit to me, and the bill will be called up later.

The VICE PRESIDENT. The bill will be passed over.

NAVAL TREATY CATEGORIES OF VESSELS

The Senate proceeded to consider the bill (H. R. 5730) to amend section 3 (b) of an act entitled "An act to establish the composition of the United States Navy with respect to the categories of vessels limited by the treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, at the limits prescribed by those treaties; to authorize the construction of certain naval vessels; and for other

purposes", approved March 27, 1934, which had been reported from the Committee on Naval Affairs with amendments, on page 2, line 9, to strike out the words "profit: *Provided*, That if there is a net loss on all such contracts or subcontracts completed by the particular contractor or subcontractor within any income-taxable year, such net loss shall be allowed as a credit in determining the excess profit, if any, for the next succeeding income-taxable year" and to insert in lieu thereof the word "profit"; on page 2, line 15, after the words "United States", to strike out the words "by inserting the word 'further' after the word 'Provided'"; on page 3, line 19, after the word "Provided", to strike out the words "That if there is a net loss on all such contracts or subcontracts completed by the particular contractor or subcontractor within any income-taxable year, such net loss shall be allowed as a credit in determining the excess profit, if any, for the next succeeding income-taxable year: *Provided further*"; and on page 4, line 17, after the word "thereof", to insert the words "And provided further, That the income-taxable years shall be such taxable years beginning after December 31, 1935, except that the above provisos relating to the assessment, collection, payment, or refunding of excess profit to or by the Treasury shall be retroactive to March 27, 1934," so as to make the bill read:

Be it enacted, etc., That section 3 (b) of an Act entitled "An act to establish the composition of the United States Navy with respect to the categories of vessels limited by the treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, at the limits prescribed by those treaties; to authorize the construction of certain naval vessels; and for other purposes", approved March 27, 1934 (48 Stat. 505), is hereby amended by striking out the word "price" and inserting the words "prices, of such contracts within the scope of this section as are completed by the particular contracting party within the income-taxable year", after the words "of the total contract"; by inserting the words "but the surety under such contracts shall not be liable for the payment of such excess profit" after the words "property of the United States"; by deleting the word "may" after the words "the Secretary of the Treasury" and substituting therefor the word "shall"; and by adding at the end of the section the following proviso: "*Provided further*, That all provisions of law (including penalties) applicable with respect to the taxes imposed by title I of the Revenue Act of 1934, and not inconsistent with this section, shall be applicable with respect to the assessment, collection, or payment of excess profits to the Treasury as provided by this section, and to refunds by the Treasury of overpayments of excess profits into the Treasury: *And provided further*, That this section shall not apply to contracts or subcontracts for scientific equipment used for communication, target detection, navigation, and fire control as may be so designated by the Secretary of the Navy, and the Secretary of the Navy shall report annually to the Congress the names of such contractors and subcontractors affected by this provision, together with the applicable contracts and the amounts thereof." so that as amended said section 3 (b) will read as follows:

"Sec. 3. (b) To pay into the Treasury profit, as hereinafter provided shall be determined by the Treasury Department, in excess of 10 percent of the total contract prices, of such contracts within the scope of this section as are completed by the particular contracting party within the income-taxable year, such amount to become the property of the United States, but the surety under such contracts shall not be liable for the payment of such excess profit: *Provided*, That if such amount is not voluntarily paid the Secretary of the Treasury shall collect the same under the usual methods employed under the internal-revenue laws to collect Federal income taxes: *Provided further*, That all provisions of law (including penalties) applicable with respect to the taxes imposed by title I of the Revenue Act of 1934, and not inconsistent with this section, shall be applicable with respect to the assessment, collection, or payment of excess profits to the Treasury as provided by this section, and to refunds by the Treasury of overpayments of excess profits into the Treasury: *And provided further*, That this section shall not apply to contracts or subcontracts for scientific equipment used for communication, target detection, navigation, and fire control as may be so designated by the Secretary of the Navy, and the Secretary of the Navy shall report annually to the Congress the names of such contractors and subcontractors affected by this provision, together with the applicable contracts and the amounts thereof: *And provided further*, That the income-taxable years shall be such taxable years beginning after December 31, 1935, except that the above provisos relating to the assessment, collection, payment, or refunding of excess profit to or by the Treasury shall be retroactive to March 27, 1934."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

JOSEPH W. HARRISON

The bill (S. 3736) authorizing and directing the appointment of Joseph W. Harrison as a captain in the Chaplain Reserve Corps was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to appoint Joseph W. Harrison in the Chaplain Reserve Corps with the rank of captain.

GOLD STAR MOTHER'S DAY

The joint resolution (S. J. Res. 115) designating the last Sunday in September as Gold Star Mother's Day, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The VICE PRESIDENT. Objection being heard, the joint resolution will be passed over.

Mr. COPELAND subsequently said: Mr. President, I did not hear objection to Order of Business 2077. Surely no one in the Senate will object to the privilege accorded the Gold Star Mothers who would be affected by this measure.

The VICE PRESIDENT. There was objection, and the joint resolution went over under objection.

Mr. COPELAND. I ask unanimous consent that it may be considered at this time.

The VICE PRESIDENT. Is there objection?

There being no objection, the joint resolution was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Joint resolution designating the last Sunday in September as "Gold Star Mother's Day", and for other purposes

Whereas the service rendered the United States by the American mother is the greatest source of the country's strength and inspiration; and

Whereas we honor ourselves and the mothers of America when we revere and give emphasis to the home as the fountainhead of the state; and

Whereas the American mother is doing so much for the home and for the moral and spiritual uplift of the people of the United States and hence so much for good government and humanity; and

Whereas the American Gold Star Mothers suffered the supreme sacrifice of motherhood in the loss of their sons and daughters in the World War: Therefore be it

Resolved, etc., That the President of the United States is hereby authorized and requested to issue a proclamation calling upon the Government officials to display the United States flag on all Government buildings, and the people of the United States to display the flag and to hold appropriate meetings at their homes, churches, or other suitable places, on the last Sunday in September, as a public expression of the love, sorrow, and reverence of the people of the United States for the American Gold Star Mothers.

SEC. 2. That the last Sunday in September shall hereafter be designated and known as "Gold Star Mother's Day", and it shall be the duty of the President to request its observance as provided for in this resolution.

MISSOURI RIVER BRIDGE, NEBRASKA

The bill (S. 4376) authorizing the State of Iowa, acting through its State highway commission, and the State of Nebraska, acting through its department of roads and irrigation, to construct, maintain, and operate a free or toll bridge across the Missouri River at or near Dodge Street in the city of Omaha, Nebr., was announced as next in order.

Mr. BENSON. Let this go over.

Mr. BURKE. Mr. President, will the Senator withhold his objection for a moment so that I may explain the bill?

Mr. BENSON. Certainly.

Mr. BURKE. Mr. President, this bill makes provision for the granting of a franchise for the building of a bridge across the Missouri River, and since the bill was introduced, a similar bill, House bill 12056, passed the House of Representatives, on May 19. Unless there is some serious objection to the granting of this franchise, the nature of which I do not know, I believe the bill ought to be passed. Will the Senator who made the objection state whether he wishes to persist in it?

Mr. BENSON. Yes; I wish to have the bill go over.

Mr. BURKE. Very well.

The VICE PRESIDENT. Objection being heard, the bill will be passed over.

BILL PASSED OVER

The bill (H. R. 8824) for the relief of the estate of John Gellatly, deceased, and/or Charlyne Gellatly, individually, was announced as next in order.

Mr. COPELAND. Over.

The VICE PRESIDENT. The bill will be passed over.

LOANS TO DRAINAGE, IRRIGATION, AND CONSERVANCY DISTRICTS

The bill (H. R. 9009) to make lands in drainage, irrigation, and conservancy districts eligible for loans by the Federal land banks and other Federal agencies loaning on farm lands, notwithstanding the existence of prior liens of assessment made by such districts, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

RELIEF OF BLACKFEET INDIANS

The Senate proceeded to consider the joint resolution (S. J. Res. 243) authorizing distribution to the Indians of the Blackfeet Indian Reservation, Mont., of judgment rendered by the Court of Claims in their favor, which had been reported from the Committee on Indian Affairs with an amendment to strike out all after the enacting clause and to insert the following:

That the Secretary of the Interior is hereby authorized and directed to withdraw from the tribal fund of the Blackfeet, Blood, and Piegan Indians of the Blackfeet Reservation, Mont., credited or to be credited on the books of the Treasury under the act of March 13, 1924 (43 Stat. 21), a sufficient sum to make a per-capita distribution of \$85 to each member of said tribes who was living and entitled to enrollment with said Indians on the date final judgment was rendered in their favor by the Court of Claims in the case Docket No. E-427; such per-capita distribution to be made under such rules and regulations as the Secretary of the Interior may prescribe.

SEC. 2. The balance remaining in the tribal fund of the Blackfeet, Blood, and Piegan Indians after the per-capita distribution herein authorized shall be available for disposition by the tribal council of said Indians, with the approval of the Secretary of the Interior, in accordance with the constitution and bylaws of the Blackfeet Tribe of the Blackfeet Indian Reservation.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

PLANT QUARANTINE

The bill (H. R. 8495) to amend certain plant-quarantine laws was considered, ordered to a third reading, read the third time, and passed.

OATHS OF GOVERNMENT EMPLOYEES

The bill (S. 4519) to dispense with unnecessary renewals of oaths of office by civilian employees of the executive departments and independent establishments, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That civilian employees of the executive departments and independent establishments of the United States who, upon original appointment, have subscribed to the oath of office required by section 1757 of the Revised Statutes, shall not be required to renew the said oath because of any change in status so long as their services are continuous in the department or independent establishment in which employed, unless in the opinion of the head of the department or independent establishment the public interests require such renewal.

PRECEDENCE OF CASES IN WHICH UNITED STATES IS A PARTY

The bill (S. 4341) to give precedence to certain proceedings to which the United States is a party, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That if, in any civil or criminal proceeding to which the United States is a party, arising under the customs or internal-revenue laws, the district attorney files, at any time after joinder of issue, with the clerk of the district court in which such proceeding is pending a certificate that such proceeding involves a charge of fraud upon the revenues of the United States, thereupon such proceeding shall be given precedence over other cases on the civil or criminal docket of such court and shall be assigned for hearing and trial at the earliest practicable date, and be expedited in every way.

IMPORTATIONS FOR EXHIBITION AT NATIONAL PETROLEUM EXPOSITION

The joint resolution (H. J. Res. 497) to permit articles imported from foreign countries for the purpose of exhibition

at the International Petroleum Exposition, Tulsa, Okla., to be admitted without payment of tariff, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

DE ROSEY C. CABELL AND OTHERS

The Senate proceeded to consider the bill (S. 4289) to correct the military records of DeRosey C. Cabell and others, which had been reported from the Committee on Military Affairs with amendments, on page 1, line 7, after the name "Cabell", to strike out the name "Thomas McF. Cockrill" and to insert in lieu thereof the name "McFarland Cockrill"; on page 1, line 9, to strike out the name "Lang" and to insert in lieu thereof the name "Lange"; on line 9, to strike out the name "James DeB. Walbach" and to insert in lieu thereof the name "James deB. Walbach", so as to make the bill read:

Be it enacted, etc., That the following-named officers and former officers of the United States Army shall be entitled to count all their service as cadets at the United States Military Academy in computing for any purpose length of service of any officers of the Army: DeRosey C. Cabell, McFarland Cockrill, James N. Caperton, Junius H. Houghton, Otto F. Lange, Paul B. Parker, James deB. Walbach, and Victor W. B. Wales: *Provided,* That this act shall not be construed as authorizing the payment of any back pay and allowances that may have accrued prior to the passage of this act.

Mr. KING. Mr. President, I should like to have an explanation of this bill.

Mr. SHEPPARD. Mr. President, this bill is recommended favorably by the War Department, and is designed to correct the military records of eight Army officers, seven of whom are still in the service, and all of whom were members of the 1916 class at West Point.

As a result of having already passed through a previous summer camp, 13 members of the 1916 graduating class were ordered by the War Department to report at the academy on August 28, 1912, 4 days following the enactment of the act of August 24, 1912, which act precluded service at the Academy from being counted in computing for any purpose the length of service of any officer of the Army. The other members of this class had reported upon August 24, 1912, and were not affected by the act. The Comptroller General held that the 13 ordered to report on August 28 were subject to this act and were not allowed to count their cadet service as regular officer service, although their comrades in the same class were permitted to do so. Five of the 13 already have been relieved of the effect of this ruling by acts of Congress. The effect of this bill is to afford similar treatment to the remaining eight.

The rest of the class, of course, were not affected by the act. I trust the bill will be permitted to pass.

The VICE PRESIDENT. The question is on agreeing to the amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to correct the military records of DeRosey C. Cabell, McFarland Cockrill, James N. Caperton, Junius H. Houghton, Otto F. Lange, Paul B. Parker, James deB. Walbach, and Victor W. B. Wales."

RIO GRANDE CANALIZATION PROJECT

The bill (S. 3536) authorizing construction, operation, and maintenance of the Rio Grande canalization project and authorizing appropriation for that purpose was announced as next in order.

Mr. HATCH. Mr. President, there is a similar bill on the calendar, being Order of Business 2140, House bill 11768, which I ask to have substituted for the Senate bill and considered at this time.

The PRESIDING OFFICER (Mr. RUSSELL in the chair). Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 11768) authorizing construction, operation, and maintenance of Rio Grande canalization project and authorizing appropriations for that purpose.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

Mr. HATCH. Mr. President, this is the bill about which I spoke to the Senator from Tennessee some time ago, and which I explained to him fully.

Mr. McKELLAR. Yes; I recall the Senator explaining the bill.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3536 is indefinitely postponed.

COOPERATIVE AGRICULTURAL EXTENSION WORK

The bill (S. 4520) to amend the act approved June 29, 1935 (49 Stat. 436-439), entitled "An act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges" was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, effective at the beginning of the first fiscal year following the date of enactment of this act, section 4 of title I of the act entitled "An act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges", approved June 29, 1935, is amended to read as follows:

"Sec. 4. (a) Thirty-nine percent of the sums appropriated for any fiscal year under section 3 shall be available for the purposes of section 1, including the administration and coordination of the research authorized thereunder.

"(b) Two percent of the sums appropriated for any fiscal year under section 3 shall be available for the administration of section 5 of this title.

"(c) The sums available for the purposes of section 1 shall be designated as the special research fund, Department of Agriculture, and no part of such special fund shall be used either for the prosecution of research heretofore instituted or for the prosecution of any new research project, except upon approval in writing by the Secretary. One-half of such special research fund shall be used by the Secretary for the establishment and maintenance of research laboratories and facilities in the major agricultural regions at places selected by him and for the prosecution, including administration, in accordance with section 1, of research at such laboratories."

Sec. 2. Effective at the beginning of the first fiscal year following the date of enactment of this act, section 5 (a) of title I of such act approved June 29, 1935, is amended by striking out the word "Sixty" and inserting in lieu thereof the word "Fifty-nine."

EMIGRATION OF FILIPINOS FROM THE UNITED STATES

The bill (H. R. 9991) to extend the time for applying for and receiving benefits under the act entitled "An act to provide means by which certain Filipinos can emigrate from the United States", approved July 10, 1935, was announced as next in order.

Mr. McKELLAR. Let the bill go over.

Mr. COPELAND. Mr. President, I hope this bill may be passed. It is simply a measure to extend the time until December 31, 1937, when the Filipinos affected by the bill may have the opportunity to resume their citizenship.

Mr. McKELLAR. I withdraw the objection.

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed.

EXAMINATION OF NUECES RIVER, TEX.

The bill (H. R. 11006) providing for the examination of the Nueces River and its tributaries in the State of Texas for flood control purposes was considered, ordered to a third reading, read the third time, and passed.

USE OF LAND IN FORT BRADY RESERVATION

The bill (H. R. 190) granting authority to the Secretary of War to license the use of a certain parcel of land situated in Fort Brady Reservation to Ira D. MacLachlan Post, No. 3, the American Legion, for 15 years, was considered, ordered to a third reading, read the third time, and passed.

AMMUNITION STORAGE FACILITIES

The bill (H. R. 10849) to authorize an appropriation for improvement of ammunition storage facilities at Aliamanu, Territory of Hawaii, and Edgewood Arsenal, Md., was considered, ordered to a third reading, read the third time, and passed.

LEIF ERICSON DAY

The Senate proceeded to consider the joint resolution (S. J. Res. 246) requesting the President to proclaim October 9, as Leif Ericson Day, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 5, after the word "October", to strike out "9 of each year" and to insert in lieu thereof "9, 1936", so as to make the joint resolution read:

Resolved, etc., That the President of the United States is hereby authorized and requested to issue a proclamation designating October 9, 1936, as Leif Ericson Day and calling upon officials of the Government to display the flag of the United States on all Government buildings on said date and inviting the people of the United States to observe the day in schools and churches, or other suitable places, with appropriate ceremonies.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "Joint resolution requesting the President to proclaim October 9, 1936, as Leif Ericson Day."

THE MARINE BAND AT THE ARKANSAS CENTENNIAL CELEBRATION

The Senate proceeded to consider the bill (S. 4354) to authorize the attendance of the Marine Band at the Arkansas Centennial Celebration, at Little Rock, Ark., on June 2, 3, 4, and 5, 1936; the Texas Centennial, at Dallas, Tex., on June 6, 7, and 8, 1936; and the Forty-sixth National Confederate Reunion, at Shreveport, La., on June 9, 10, 11, and 12, 1936, which had been reported from the Committee on Naval Affairs with amendments.

The first amendment of the committee was, in section 1, page 1, line 6, after the word "Arkansas", to strike out the words "on June 2, 3, 4, and 5, 1936; the Texas Centennial, at Dallas, Tex., on June 6, 7, and 8, 1936; and the Forty-sixth National Confederate Reunion, at Shreveport, La., on June 9, 10, 11, and 12, 1936" and to insert in lieu thereof the words "the Texas Centennial at Dallas, Tex., and the National Confederate Reunion at Shreveport, La., between the dates from June 2 to June 12, 1936, inclusive", so as to make the section read:

That the President is authorized to permit the band of the United States Marine Corps to attend and give concerts at the Arkansas Centennial Celebration, at Little Rock, Ark., the Texas Centennial at Dallas, Tex., and the National Confederate Reunion at Shreveport, La., between the dates from June 2, to June 12, 1936, inclusive.

Mr. ROBINSON. Mr. President, I offered an amendment to the committee amendment, on line 6, page 2, to strike out "June 2" and to insert in lieu thereof "June 6", and to strike out "June 12" and to insert in lieu thereof "June 16."

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment of the committee was, in section 2, on page 2, line 10, to strike out "\$15,000" and to insert in lieu thereof "\$11,500", so as to make the section read:

Sec. 2. For the purpose of defraying the expenses of such band in attending and giving concerts at such celebrations and reunion there is authorized to be appropriated the sum of \$11,500, or so much thereof as may be necessary, to carry out the provisions of this act: *Provided*, That in addition to transportation and Pullman accommodations the leaders and members of the Marine Band be allowed not to exceed \$5 per day each for actual living expenses while on this duty, and that the payment of such expenses shall be in addition to the pay and allowances to which they would be entitled while serving at their permanent station.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the attendance of the Marine Band at the Arkansas Centennial Celebration, at Little Rock, Ark.; the Texas Centennial, at Dallas, Tex.; and the National Confederate Reunion, at Shreveport, La., between the dates from June 6 to June 16, 1936, inclusive."

PUNISHMENT OF RECALTRANT WITNESSES

The bill (H. R. 8875) to clarify section 104 of the Revised Statutes (U. S. C., title II, sec. 194) was considered, ordered to a third reading, read the third time, and passed.

Mr. HATCH subsequently said: I ask unanimous consent to recur to House bill 8875, Calendar No. 2139. I reported the bill for the committee, but since it was passed I have been informed that the chairman of the committee has an amendment he desires to offer to the bill. I therefore ask that the votes by which the bill was ordered to a third reading, read the third time, and passed be reconsidered, and that the bill go over for the time being.

The PRESIDING OFFICER. Without objection, the votes by which the bill was ordered to a third reading, read the third time, and passed will be reconsidered, and the bill will be passed over.

THE AIR CORPS

The Senate proceeded to consider the bill (H. R. 11920) to increase the efficiency of the Air Corps, which had been reported from the Committee on Military Affairs with amendments, on page 2, line 1, after the word "be", to insert the word "in"; on page 2, line 18, after the word "appoint", to insert the words "by and with the advice and consent of the Senate"; on page 3, line 7, after the words "grade, and", to strike out the word "that" and to insert the words "such temporary appointments may be vacated at any time upon the recommendation of the Secretary of War: *Provided further*, That"; on page 4, line 9, after the words "determined by the", to strike out the words "Secretary of War" and to insert in lieu thereof the word "President"; on line 11, after the word "relieved", to insert the words "from such commands", so as to make the bill read:

Be it enacted, etc., That the President be, and he is hereby, authorized to call to active duty, with their consent, for periods of not more than 5 years, such number of Army Air Corps Reserve officers as he may deem necessary, not to exceed 1,350.

Sec. 2. Upon the termination of such a period of active duty of not less than 3 years in duration, such Air Corps Reserve officers shall be paid a lump sum of \$500, which sum shall be in addition to any pay and allowances which they may otherwise be entitled to receive.

Sec. 3. The sixth proviso of section 2, act of July 2, 1926 (44 Stat. L. 781), is hereby amended by striking out the words "Whenever used in this act a flying officer in time of peace is defined as one who has received an aeronautical rating as a pilot of service types of aircraft", and by substituting in lieu thereof the following: "A flying officer in time of peace is defined as one who has received an aeronautical rating as a pilot of service types of aircraft or one who has received an aeronautical rating as an aircraft observer: *Provided*, That in time of peace no one may be rated as an aircraft observer unless he has previously qualified as a pilot: *Provided further*, That any officer rated as an aircraft observer in time of war must subsequently qualify as a pilot before he can qualify as an observer in time of peace following such war."

Sec. 4. The President is authorized to appoint, by and with the advice and consent of the Senate, to temporary rank in the grades of colonel, lieutenant colonel, and major, without vacating their permanent commissions, such numbers of officers of the Regular Army Air Corps as the Secretary of War, from time to time, may determine as necessary to meet the administrative, tactical, technical, and training needs of the Air Corps; the then resulting numbers in each grade, permanent and temporary, to be further increased by 5 percent to meet the additional needs of the War Department for Air Corps officers: *Provided*, That such temporary appointments shall be made in order of seniority of the appointees in each grade in accordance with their standing on the relative rank list of Air Corps officers in their permanent grade, and such temporary appointments may be vacated at any time upon the recommendation of the Secretary of War: *Provided further*, That when an officer holding a temporary appointment under the provisions of this section becomes entitled to permanent promotion his temporary appointment shall be vacated: *Provided further*, That all Air Corps officers temporarily advanced in grade take rank in the grade to which temporarily advanced after officers holding such grade through permanent appointment, and among themselves in the order in which they stand on the relative rank list of Air Corps officers in their permanent grade: *Provided further*, That Air Corps officers temporarily appointed under the provisions of this act shall be entitled to the pay, flying pay, and allowances pertaining to the grade to which temporarily appointed: *And provided further*, That no officer holding temporary rank under the provisions of this act shall be eligible to command outside his own corps except by seniority under his permanent commission.

Sec. 5. The President is hereby authorized, by and with the advice and consent of the Senate, to appoint to temporary rank

from among the permanent colonels and lieutenant colonels of the Air Corps who are "flying officers" as defined herein, or as may hereafter be defined, a commanding general of the General Headquarters Air Force with the rank of major general, and such number of wing commanders with the rank of brigadier general as may be determined by the President. Officers temporarily appointed under the provisions of this section shall hold such temporary appointments until relieved from such commands by order of the President. Such temporary appointments shall not vacate the permanent commissions of the appointees nor create vacancies in the grades in which they are permanently commissioned: *Provided*, That the provisions of this section shall not be construed to exclude the assignment to Air Corps tactical or other appropriate commands of qualified permanent general officers of the line who are "flying officers" as defined herein, or as may hereafter be defined.

Sec. 6. Such laws and parts of laws as may be inconsistent with the foregoing are hereby repealed.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

GROS VENTRE INDIANS

The Senate proceeded to consider the joint resolution (S. J. Res. 245) authorizing distribution to the Gros Ventre Indians of the Fort Belknap Reservation, Mont., of the judgment rendered by the Court of Claims in their favor, which had been reported from the Committee on Indian Affairs with an amendment to strike out all after the enacting clause and to insert the following:

That the Secretary of the Interior is hereby authorized and directed to withdraw from the Treasury and to distribute per capita, as provided herein, to the Gros Ventre Indians of the Fort Belknap Reservation, Mont., the sum arising from a judgment rendered in their favor by the Court of Claims in the case docketed as E-427, credited or to be credited to said Indians on the books of the Treasury under the act of March 13, 1924 (43 Stat. 21).

Sec. 2. That for the purpose of making the distribution herein authorized, the Secretary of the Interior shall cause a roll of said Indians to be prepared by a commission consisting of the Gros Ventre members of the Fort Belknap Community Council. In the preparation of said roll, those members of the Gros Ventre Tribe whose names appear on the allotment roll made pursuant to the act of March 3, 1921 (41 Stat. 1355), and who are alive on the date of approval of this resolution shall first be enrolled, to which number shall be added the names of all children of one-fourth or more Gros Ventre Indian blood born to all allotted Indians of the Fort Belknap Reservation, regardless of place of residence of such children or their parents: *Provided*, That all such children so enrolled shall be alive and in being on the date of approval of this resolution: *Provided further*, That there shall be added to and included in the roll herein authorized the names of George Gambler and Josephine Gambler White, two Gros Ventre Indians omitted from the Fort Belknap allotment roll due to absence from the reservation: *Provided, however*, That said George Gambler and Josephine Gambler White have not been enrolled with or participated in the benefits of any other tribe.

Sec. 3. When the roll herein provided for shall have been completed and approved by the Secretary of the Interior, he shall thereupon cause the per-capita share due each member of said Gros Ventre Tribe so enrolled to be credited to the individual Indian money account of such member for expenditure in accordance with the individual Indian money regulations.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

TRANSFER OF PROPERTY IN BREMERTON, WASH.

The bill (S. 4094) to provide for the transfer from the Treasury Department to the Navy Department of the property in Bremerton, Wash., known as the Navy Yard Hotel site, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Government property located on the south side of Fourth Street opposite the terminus of Park Avenue in the city of Bremerton, Wash., known as the Navy Yard Hotel site, is hereby transferred from the Treasury Department to the Navy Department.

MICHAEL STODOLNIK

The bill (H. R. 7825) for the relief of Michael Stodolnik was considered, ordered to a third reading, read the third time, and passed.

EARL ELMER GALLATIN

The bill (H. R. 8278) for the relief of Earl Elmer Gallatin was considered, ordered to a third reading, read the third time, and passed.

MRS. OLLIE MYERS

The bill (H. R. 8884) for the relief of Mrs. Ollie Myers was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT TO EMERGENCY FARM MORTGAGE ACT OF 1933

The bill (S. 4546) to amend the Emergency Farm Mortgage Act of 1933, as amended, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Emergency Farm Mortgage Act of 1933 as amended, is further amended by adding after section 36 thereof the following new section:

"Sec. 36A. In addition to the authority granted to the Reconstruction Finance Corporation by section 36 of this act, as amended, the corporation is authorized and empowered to make loans, as hereinafter provided, out of the funds available for loans under such section 36, as amended, to or for the benefit of counties, political subdivisions of States, political subdivisions of counties, and districts, duly organized under the laws of any State, in which the United States has acquired or shall hereafter acquire lands for purposes of watershed protection, timber production and conservation, protection of grazing areas, or preservation of wildlife. Such loans shall be made for the purpose of enabling any such county, political subdivision, or district (hereinafter referred to as the 'borrower') to refinance its outstanding indebtedness existing at the time the United States acquired or shall have acquired such land.

"Such loans shall be subject to the same terms and conditions as loans made under section 5 of the Reconstruction Finance Corporation Act as amended; except that (1) the term of any such loans shall not exceed 40 years; (2) each such loan shall, in the opinion of the corporation, be reasonably and adequately secured, and, in respect to the type of security, shall be secured (a) by bonds, notes, or other obligations for the payment of which shall be pledged the full faith and credit and taxing power of the borrower or of such taxing authority as may be authorized pursuant to State law to levy assessments, taxes, or other charges for the repayment of said obligations, or (b) by bonds, notes, or other obligations which are a lien on real property situated within the boundaries of the borrower, which is taxable under existing laws, or shall be secured by both of such methods, and (c) by such other collateral as may be acceptable to the corporation; and (3) the borrower shall agree insofar as it may lawfully do so, that so long as any part of such loan shall remain unpaid the borrower will in each year apply to the repayment of such loan, or to the purchase or redemption of the obligations issued to evidence such loan, an amount equivalent to a proportionate part of the principal of the loan, taking into consideration the number of years through which the loan will mature and taking into consideration the intention to place on the taxpayers a burden as nearly uniform as practicable throughout the entire term of the loan, and that it shall at all times make provision for such reasonable reserves as may be approved by the corporation. No loan shall be made under this section until the Reconstruction Finance Corporation (A) shall have determined that by reason of the acquisition of said land by the Government the financial condition of the borrower has been sufficiently affected to warrant the making of such loan; (B) has satisfied itself as to the security supporting the outstanding bonds or other obligations of the applicant; and (C) in the case of a loan to reduce or refinance the outstanding indebtedness of an applicant, has been satisfied that an agreement has been entered into between the applicant and holders of its outstanding bonds or other obligations under which the applicant will be able to purchase or refund all or a major portion of such bonds or other obligations at a price determined by the corporation to be reasonable after taking into consideration the average market price of such bonds over the 6 months' period ending April 1, 1936, and under which a reduction will be brought about in the amount of the outstanding indebtedness of the applicant, or under which a reduction in its annual charges of principal and interest will be accomplished, resulting in benefit to the community and promoting its general welfare. Loans made under this section shall bear interest at a rate or rates to be fixed by the corporation.

"When a loan is authorized pursuant to the provisions of this section and it shall then or thereafter appear that repairs and necessary extensions or improvements to the properties of borrower are necessary or desirable for the further assurance of the ability of the borrower to repay such loan, the corporation may make an additional loan or loans to such borrower for such purposes out of the funds available for loans under such section 36, as amended.

"The proceeds of any loan applied for by a borrower under this section may be paid either to such borrower or to the holders or representatives of the holders of the bonds, notes, or other obligations to be reduced and refinanced in connection with such loan, and such loans may be made upon promissory notes collateralized by such bonds, notes, or other obligations, or through the purchase of securities issued or to be issued by such borrower. In the discretion of the corporation, the borrower may, if consistent with State law, be authorized to deliver to the holders of such original obligations, refunding bonds bearing the same rate of interest and issued on the same basis of the refunding bonds to be held by the corporation."

AMENDMENT OF PERMANENT APPROPRIATION REPEAL ACT, 1934

The Senate proceeded to consider the bill (S. 4596) to amend section 21 of the Permanent Appropriation Repeal Act, 1934, and for other purposes, which had been reported from the Committee on Banking and Currency with an amendment, on page 2, line 1, to strike out section 2, as follows:

SEC. 2. The Treasurer of the United States is hereby authorized, in his discretion, to refund to the Philippine Islands or Puerto Rico, as the case may be, the amount of any check, heretofore or hereafter issued by him on account of public-debt obligations of either of those governments, which has not been paid or presented for payment by the close of the fiscal year next following the fiscal year in which it was issued; but only upon the execution, by the government to which refund is made, of an agreement to indemnify the United States against any loss whatsoever.

The amendment was agreed to.

Mr. VANDENBERG. Mr. President, what is the purpose of the bill?

Mr. ADAMS. Mr. President, in the Permanent Appropriation Repeal Act for 1934 was contained a section which the bill under consideration seeks to repeal. Under the fiscal operations of the Philippine Islands and Puerto Rico provision is made for certain funds for the payment of their obligations. The provisions of the statute provide that if checks issued are not paid within a year the funds go back into the General Treasury. The purpose of the bill is to leave those funds with the Philippine and Puerto Rican governments so that the unpaid checks, or the funds back of them, will not become a part of the Federal funds.

Mr. FLETCHER. Mr. President, there is an amendment to strike out section 2.

The PRESIDING OFFICER. The Chair will state that the committee amendment has been agreed to.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 21 of the Permanent Appropriation Repeal Act, 1934, be, and the same is hereby, amended by changing the period at the end thereof to a colon and inserting thereafter the following: "Provided further, That the provisions of this section shall not be construed to extend to any check heretofore or hereafter issued on account of public-debt obligations of the Philippine Islands or Puerto Rico."

The title was amended so as to read: "A bill to amend section 21 of the Permanent Appropriation Repeal Act, 1934."

AMENDMENT OF THE INTERSTATE COMMERCE ACT

Mr. WHEELER. Mr. President, I ask unanimous consent to return to Calendar No. 2066, being the bill (S. 1636) to amend the Interstate Commerce Act, as amended, and for other purposes. It will be recalled that I explained this bill to the Senate a short time ago, stating that the only purpose of the bill was to continue in effect the present law, which expires June 16 of this year, providing that the railroads should publish through rates. The only Senator who objected to it at that time, or stated that he wanted to amend the bill, was the Senator from Delaware [Mr. HASTINGS]. He has given me his amendment and asked that I should offer it, and I see no objection to it. I am glad to join with the Senator in offering the amendment, which provides as follows:

At the proper place it is proposed to add the following language:

In fixing through rates and in determining what is desirable or necessary in the public interest, the Commission shall not take into consideration the necessity or desirability of diverting revenue from one railroad to another.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana to return to Calendar 2066?

There being no objection, the Senate proceeding to consider the bill (S. 1636) to amend the Interstate Commerce Act, as amended, and for other purposes, which had been reported from the Committee on Interstate Commerce with amendments.

Mr. WHEELER. I offer an amendment which I thought had been adopted the other day. In reporting the bill there

were some clerical errors. The amendment is offered in order to correct them.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed to strike out all after the enacting clause and insert the following:

Paragraph (3) of section 15 of the Interstate Commerce Act, as amended, is further amended by adding the following: "The elimination of any existing through route or joint rate, fare, charge, or classification without the consent of all carriers parties thereto or authorization by the Commission shall be deemed *prima facie* unreasonable and contrary to the public interest."

SEC. 2. Paragraph (4) of section 15 of the Interstate Commerce Act is hereby amended to read as follows:

"In time of shortage of equipment, congestion of traffic, or other emergency declared by the Commission it may (either upon complaint or upon its own initiative without complaint, at once, if it so orders without answer or other formal pleadings by the interested carrier or carriers, and with or without notice, hearing, or the making or filing of a report, according as the Commission may determine) establish temporarily such through routes as in its opinion are necessary or desirable in the public interest."

The amendment was agreed to.

Mr. WHEELER. I submit an amendment at the request of the Senator from Delaware [Mr. HASTINGS].

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. After the amendment heretofore agreed to, it is proposed to add the following:

In fixing through rates, and in determining what is desirable or necessary in the public interest, the Commission shall not take into consideration the necessity or desirability of diverting revenue from one railroad to another.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REGULATION OF VESSELS OWNED IN PART BY ALIENS

The Senate proceeded to consider the bill (S. 1815) to require certain documents of vessels not wholly owned by citizens of the United States and navigated in the territorial waters of the United States, its Territories, or its possessions, to regulate vessels engaged in the fisheries, and for other purposes, which had been reported from the Committee on Commerce with an amendment, in section 8, page 5, line 20, after the word "Government", to insert "subject to the approval of the Secretary of the Navy with respect to naval personnel", so as to make the section read:

SEC. 8. The Secretary of Commerce shall make such regulation as may be necessary to effect the proper enforcement of this act by collectors of customs and other officers of the Government subject to the approval of the Secretary of the Navy with respect to naval personnel, and may mitigate or remit any penalty provided for herein if in his judgment such action is justified.

The amendment was agreed to.

Mr. OVERTON. Mr. President, I send to the desk an amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. In section 3, on page 4, line 13, after the figures "1918", it is proposed to insert "and sailing vessels owned, operated, and navigated by citizens of the United States", so as to make the section read:

SEC. 3. That any vessel, not a vessel of the United States, engaging in the fisheries shall be subject to forfeiture: *Provided*, That vessels of less than 5 net tons wholly owned, operated, and navigated by citizens of the United States, and which are numbered in accordance with the act of June 7, 1918, and sailing vessels owned, operated, and navigated by citizens of the United States, shall be deemed vessels of the United States for the purposes of this act: *Provided further*, That no vessel of less than 5 net tons wholly owned by citizens of the United States shall be operated in the fisheries by a person not a citizen of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That no vessel owned in whole or in part by any person who is not a citizen of the United States shall, under penalty of forfeiture, be operated or navigated on any waters within the territorial jurisdiction of the United States, its Territories, or its possessions, unless such vessel is provided with

and has on board a register, or other document of like import in lieu thereof, issued to it under and in accordance with the laws of a foreign country the government of which is recognized by the United States and is also provided with and has on board a descriptive list of the entire crew showing their rating, nationality, and residence, and a descriptive list of all others on board showing their nationality, residence, and occupation or business; also a manifest of all cargo on board: *Provided*, That the terms "person" and "citizen of the United States" as used in this act shall have the meaning assigned to them by sections 1 and 2 of the Shipping Act, 1916, as amended by the Merchant Marine Act of 1920.

SEC. 2. That any officer of the United States authorized to board vessels for the purpose of enforcing the revenue, navigation, and/or immigration laws of the United States, and/or any officer of the United States Navy, is hereby authorized and empowered to board any vessel within the territorial waters of the United States, its Territories, or its possessions, for the purpose of enforcing the provisions of this act and to make such examination of the vessel, persons, and cargo on board, and all papers and/or documents relating or pertaining thereto which are required by this act, as may be necessary to carry out the purpose and intent thereof. If the master or person in charge or command of such vessel fails or refuses to deliver any list, manifest, or other document required by this act to be on board such vessels on demand of any officer herein authorized to examine the same, he shall be liable to a fine of not to exceed \$200, for which fine the vessel shall be liable. If any person or persons obstruct or resist any authorized officer in the discharge of his duties under this act, or aid, abet, or assist in such obstruction or resistance, or if any such person or persons shall falsify any list, manifest, or other document required by this act to be on board such vessel, such person or persons shall be deemed guilty of a misdemeanor and shall, on conviction thereof, be subject to a fine of not more than \$1,000 or to imprisonment for not more than 2 years, or to both such fine and imprisonment, at the discretion of the court, and if any such person shall be an owner in whole or in part of such vessel, or an employee or agent of such owner, the vessel shall be liable for said fine: *Provided*, That any officer authorized by this act to enforce its provisions may arrest, or, in the case of attempted escape, may pursue and arrest the master or other person in command, who shall fail or refuse to deliver any list, manifest, or other document required by this act and any person or persons who obstruct or resist such officer in the performance of his duties, or shall aid, abet, or assist in such obstruction or resistance, or who shall falsify any such list, manifest, or other document: *Provided further*, That any person or persons so arrested shall be taken forthwith before the nearest commissioner of a district court of the United States who, if the evidence warrants such action, shall hold such person or persons to answer and stand trial before the court of the United States having jurisdiction of the offense: *And provided further*, That nothing in this section shall be construed as repealing section 4336 of the Revised Statutes.

SEC. 3. That any vessel, not a vessel of the United States, engaging in the fisheries shall be subject to forfeiture: *Provided*, That vessels of less than 5 net tons wholly owned, operated, and navigated by citizens of the United States, and which are numbered in accordance with the act of June 7, 1918, and sailing vessels owned, operated, and navigated by citizens of the United States, shall be deemed vessels of the United States for the purposes of this act: *Provided further*, That no vessel of less than 5 net tons wholly owned by citizens of the United States shall be operated in the fisheries by a person not a citizen of the United States.

SEC. 4. That any vessel owned wholly or in part by a person not a citizen of the United States and engaged in fishing on the high seas or in foreign waters shall, on arriving within the territorial waters of the United States, its Territories, or its possessions, make formal entry at the nearest port of entry, and on leaving such port make formal clearance under the same conditions, regulations, and penalties as apply to vessels engaged in trade with foreign countries: *Provided*, That unless such vessel enters the United States from a foreign port, it shall not be required to pay tonnage dues or other fees not collectible from vessels of the United States under the same circumstances and conditions.

SEC. 5. That the provisions of this act shall be subject to the provisions of any existing treaty, convention, or agreement between the United States and any foreign government.

SEC. 6. That any vessel subject to forfeiture under any of the provisions of this act, or to liability for any other penalty prescribed herein, may be seized and proceeded against by way of libel in the district court of any district in which such vessel may be found.

SEC. 7. Nothing in this act shall be construed as repealing or limiting any existing law relative to the boarding of vessels.

SEC. 8. The Secretary of Commerce shall make such regulation as may be necessary to effect the proper enforcement of this act by collectors of customs and other officers of the Government, subject to the approval of the Secretary of the Navy with respect to naval personnel, and may mitigate or remit any penalty provided for herein if in his judgment such action is justified.

SEC. 9. This act shall become effective from and after 6 months from the date of its passage.

OPERATION BY BLIND PERSONS OF STANDS IN FEDERAL BUILDINGS

The Senate proceeded to consider the bill (H. R. 4688) to authorize the operation of stands in Federal buildings by

blind persons, to enlarge the economic opportunities of the blind, and for other purposes, which had been reported from the Committee on Education and Labor, with an amendment in section 1, on page 1, line 6, after the words "self-supporting", to strike out "all Federal buildings having suitable locations for vending stands are hereby authorized to be made available for operation of such stands therein by blind persons licensed under the provisions of this act", and to insert, "blind persons licensed under the provisions of this act shall be authorized to operate vending stands in any Federal building where, in the discretion of the head of the department or agency in charge of the maintenance of the building, such vending stands may be properly and satisfactorily operated by blind persons"; so as to make the section read:

That for the purpose of providing blind persons with remunerative employment, enlarging the economic opportunities of the blind, and stimulating the blind to greater efforts in striving to make themselves self-supporting, blind persons licensed under the provisions of this act shall be authorized to operate vending stands in any Federal building where, in the discretion of the head of the department or agency in charge of the maintenance of the building, such vending stands may be properly and satisfactorily operated by blind persons.

The amendment was agreed to.

The next amendment was, on page 4, line 3, to strike out all of section 3, as follows:

SEC. 3. (a) Subject to such rules and regulations as the Commissioner of Education, with the approval of the Secretary of the Interior, may prescribe, the Office of Education is authorized—

(1) To purchase vending-stand equipment for use in Federal buildings. Such equipment shall be purchased on requisition of the custodian of the Federal building in which the stand is to be placed and shall thereafter remain in his custody, and be used for the purposes specified in this act; and

(2) To purchase vending-stand equipment for use in all other buildings where vending-stand concessions for blind persons have been obtained by the State licensing agencies designated by the Office of Education. Such equipment shall be purchased on requisition of such licensing agencies and loaned to such State licensing agencies under the conditions set forth in section 4 of this act.

(b) All stand equipment purchased under the provisions of subsection (a) of this section shall be made available, without charge, for the use of blind persons licensed under the provisions of this act.

The amendment was agreed to.

The next amendment was, on page 5, line 1, after "Sec.", to strike out "4" and to insert "3"; in line 3, after the word "stands", to strike out "and desiring to secure vending-stand equipment"; and in line 16, to strike out "(3) To keep such stand equipment in other than Federal buildings in repair", so as to make the section read:

SEC. 3. (a) A State commission for the blind or other State agency desiring to be designated as the agency for licensing blind persons for the operation of vending stands as provided in this act shall, with the approval of the Governor of the State, make application to the Commissioner of Education and agree—

(1) To cooperate with the Commissioner of Education and with the division of vocational rehabilitation of such State in training, placing, and supervising blind persons.

(2) To provide through loan, gift, or otherwise, for each blind person licensed to operate a stand, an adequate initial stock of suitable articles to be vended therefrom.

The amendment was agreed to.

The next amendment was, on page 5, line 18, to renumber section 5.

The amendment was agreed to.

The next amendment was, on page 6, to renumber section 6.

The amendment was agreed to.

The next amendment was, in line 13, to renumber section 7; in line 21, to strike out "(c) The term 'State commission for the blind' means a commission established under authority of the State and engaged primarily in work for the blind"; and in line 24, to strike out "(d)" and insert "(c)", so as to make the section read:

SEC. 6. As used in this Act—

(a) The term "United States" includes the several States, Territories, and possessions of the United States, and the District of Columbia.

(b) The term "blind person" means a person having not more than 10 per centum visual acuity in the better eye with correction.

Such blindness shall be certified by a duly licensed ophthalmologist.

(c) The term "State" means a State, Territory, possession, or the District of Columbia.

The amendment was agreed to.

The next amendment was on page 7, line 1, to renumber section 8.

The amendment was agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

Mr. WALSH subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD the report of the Committee on Education and Labor accompanying House bill 4688.

There being no objection, the report (No. 2052) was ordered to be printed in the RECORD, as follows:

The Committee on Education and Labor, to whom was referred the bill (H. R. 4688) to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes, having considered the same, report favorably thereon and recommend that the bill do pass with amendments.

The committee have reported H. R. 4688 in lieu of a similar measure (S. 2196), introduced by Mr. SHEPPARD, and which is pending before the committee.

This legislation would allow the setting up of stands by the blind in Federal buildings for the sale of newspapers, magazines, candy, tobacco products, etc., and provides that these stands be licensed by the Office of Education in the Department of the Interior, subject to the direction of the Commissioner of Education. The bill further provides that a survey be made of concession-stand opportunities for the blind in this country; second, that a survey be made throughout the United States of industries, with a view to obtaining information that will assist blind persons to obtain employment; third, that this data be made available to the public and especially to persons and organizations interested in helping the blind; and, fourth, that licenses be issued to blind persons, to be approved by the custodian of the building and the Commissioner of Education.

The Senate and House bills, as originally introduced, made mandatory rather than permissive the operation of stands by blind persons and excluded from the operation of such stands able-bodied persons and persons incapacitated by reasons other than blindness. These provisions were objected to by the Departments of the Treasury, Interior, and Labor, and upon the suggestion of the Secretary of the Interior, the committee have amended section 1 of the House bill, leaving "in the discretion of the head of the department or agency in charge of the maintenance of the building" whether such vending stands shall be operated by blind persons licensed under the act.

The committee has omitted section 3 of the House bill, which section authorized the Commissioner of Education, with the approval of the Secretary of the Interior, to purchase vending-stand equipment for use in Federal buildings, and also the purchase by the Federal Government, rather than by the State, of stands and stand equipment for loan by the States to the blind operators of such stands not only in Federal but also in non-Federal buildings in such States. The Bureau of the Budget has objected to such purchases by the Federal Government, estimating the cost to be \$750,000, and citing further to the Secretary of the Interior recent liberal provisions for Federal aid to the blind, namely:

"The Social Security Act of 1935 provides \$3,000,000 annually for grants to the States for assistance to needy individuals who are blind. That act also provides \$841,000 annually (in addition to existing annual appropriations of \$1,097,000) for grants to States for vocational rehabilitation of physically disabled persons, including the blind.

The House Committee on Labor, in reporting (H. Rept. No. 1094) the bill H. R. 4688, stated in part:

"The committee held hearings on the accompanying bill, during which the committee had the benefit of listening to such representative leaders as Hon. Martin L. Sweeney, Member of Congress from Ohio; Hon. Smith W. Purdum, Fourth Assistant Postmaster General; Mr. S. P. Meadows, legislative representative of the American Federation of Labor; Mr. Leonard A. Robinson, chairman of the Citizens' Welfare Sightless Committee of Cleveland; Mr. R. R. Irwin, executive director of the American Foundation for the Blind; Mr. Walter R. Handy, of the Lions International; Mr. Ralph H. Campbell, secretary of Columbia Polytechnic Institute for the Blind; Mr. Arthur J. Lovell, Brotherhood of Locomotive Firemen and Enginemen; Mr. Bert Piers, member of the committee on the blind of the Lions International.

"With rare exceptions, all those who appeared before the committee voiced their approval of this proposed legislation.

"The committee feels that this is the logical time for such legislation to be enacted into law.

"The Federal Government is spending billions of dollars to create employment opportunities for millions of persons, but not one blind person is benefited thereby. The blind cannot build bridges, buildings, and do other kinds of work now being authorized by the Public Works Administration. The blind, at the present

time, receive very little benefit from the work being done by the Federal Bureau of Rehabilitation, not because this Federal agency does not want to help the blind, but rather because State commissions for the blind and other private and public agencies have been delegated the tasks of training and placing blind persons. The result has been that in some States some progress has been made by these agencies for the blind, while in other States little or no progress has been made. The fault, as can be plainly recognized, is the fact that there is no definite or practical national system or plan whereby placement work of this kind can be done. The Federal Division of Rehabilitation, together with the various State divisions of rehabilitation, can boast of having done splendid work in the training and placing of handicapped persons in the United States, despite the limited funds it has to work with. Very fine cooperation, harmony among the workers, and a keen understanding of the workers' problems account for the good work now being done by the Division of Rehabilitation.

"The committee believes that the speedy enactment of this measure into law would take care of a group of our people who are in distress and who are not being reached by any of the vast rehabilitation experiments which the Government is conducting."

The following letters from the Secretary of the Interior, the Secretary of Labor, and the Acting Secretary of the Treasury indicate their views on this legislation:

OFFICE OF THE SECRETARY OF THE INTERIOR,

Washington, April 23, 1935.

HON. DAVID I. WALSH,

Chairman, Committee on Education and Labor,

United States Senate.

MY DEAR MR. CHAIRMAN: I have received your letter of March 11 enclosing a copy of S. 2196, entitled "A bill to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind and for other purposes", and requesting a report thereon.

There are several objections to this bill. It makes mandatory rather than permissive the operation of stands by blind persons. It excludes from the operation of stands able-bodied persons and persons incapacitated by reasons other than blindness. I feel that unemployed able-bodied persons, who can perform more effective service than blind persons in certain cases, deserve consideration, since they cannot command the same public assistance and sympathy as the blind.

At the present time there are in operation 23 stands in buildings in the District of Columbia under the supervision of the National Park Service of this Department, where newspapers, magazines, candies, tobacco products, etc., are on sale. Nine of these stands are operated by the Welfare and Recreational Association of Public Buildings and Grounds, a non-profit-making corporation. The nine stands so operated employ three persons afflicted with infantile paralysis, one blind person, and 25 able-bodied persons. There are several lunch counters and soda bars operated by the association in addition to the stands mentioned, where able-bodied persons are employed because blind persons could not meet the requirements.

Fourteen stands are operated by wards of the Columbia Polytechnic Institute for the Blind. Attendants at these stands are either blind or partially blind.

In the light of the above statements, I believe the employment of blind persons at stands should not be made mandatory, and I recommend that S. 2196 should not receive favorable consideration by the Congress.

Sincerely yours,

T. A. WALTERS,

Acting Secretary of the Interior.

OFFICE OF THE SECRETARY OF THE INTERIOR,

Washington, May 2, 1936.

HON. DAVID I. WALSH,

Chairman, Committee on Education and Labor,

United States Senate.

MY DEAR MR. CHAIRMAN: I have received your letter of February 26 enclosing a copy of S. 2196, to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes, together with suggested amendments thereto.

By a letter dated April 24, 1935, you were advised that the bill was objectionable in that it excludes from the operation of stands able-bodied persons and persons incapacitated by reasons other than blindness. There are a number of vending stands located in buildings under the jurisdiction of this Department where the employment of able-bodied persons is necessary because blind persons cannot meet the requirements. I feel that unemployed able-bodied persons who can perform more effective service than blind persons in certain cases deserve consideration, since they cannot command the same public assistance and sympathy as the blind.

It is recommended that the proposed amendments be further amended in the following manner:

Page 1, line 6, after the word "self-supporting", strike out the words "all Federal buildings having suitable locations for vending stands are hereby authorized to be made available for the operation of such stands therein by blind persons licensed under the provisions of this act", and insert the following words: "blind persons licensed under the provisions of this act shall be authorized to operate vending stands in any Federal building where, in the discretion of the head of the department or agency in charge of

the maintenance of the building, such vending stands may be properly and satisfactorily operated by blind persons."

Page 3, section 4 (a), line 4, insert after the word "shall" and before the word "make", the words "with the approval of the Governor of the State."

As State agencies are limited to public agencies in accordance with the provisions of paragraph (4), section 2 (a), page 1, of the proposed amendments, it is recommended that section 7, on page 5 of S. 2196, be deleted.

If the amendments submitted with your letter are amended as indicated above, the Department would have no objection to the enactment of S. 2196.

However, I have submitted the proposed legislation, together with the amendments submitted with your letter and the amendments indicated by this Department, to the Bureau of the Budget for consideration and have been advised as follows:

"Your proposed reports recommend that the bills be amended to eliminate the mandatory requirement that all stands be awarded to the blind and leave to the discretion of the Department concerned the award of such stands as might be properly and satisfactorily operated by blind persons.

"While there would be no objection to the presentation of your proposed reports, those reports do not voice a further objection to the bills that to me is of such a character as to make it necessary to advise you that the bills, even if amended as you suggest, would still be considered as not in accord with the program of the President. I refer to the provision for purchase by the Federal Government, rather than by the State (at an estimated cost of \$750,000), of stands and stand equipment for loan by the State to the blind operators of such stands not only in Federal but also in non-Federal buildings in that State. The Social Security Act of 1935 provides \$3,000,000 annually for grants to the States for assistance to needy individuals who are blind. That act also provides \$841,000 annually (in addition to existing annual appropriations of \$1,097,000) for grants to States for vocational rehabilitation of physically disabled persons, including the blind.

"In view of these recent liberal provisions for Federal aid to the blind, and of their underlying policy of direct State management of operations under the funds provided, I think that the proposed legislation and, in particular, the proposal for purchase by the Federal Government of stands at a cost of \$750,000, should be considered in conflict with the program of the President."

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, April 6, 1936.

HON. DAVID I. WALSH,

Chairman, Committee on Education and Labor,
United States Senate, Washington, D. C.

DEAR SENATOR WALSH: I have your letter of March 31 requesting my views with respect to a bill now pending before your committee, H. R. 4688, entitled "An act to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes."

This bill proposes to extend employment opportunities for blind people by making Federal buildings throughout the country available for the operation of vending stands. The administration of the act is entrusted to the Office of Education in the Department of the Interior. Under the plan which the bill contemplates the Commissioner of Education would be authorized to designate State agencies to issue licenses to blind persons permitting them to operate such stands. In granting applications for such licenses preference is to be given to blind persons who need employment and who have resided for at least 1 year in the State where the stand is to be located. It is further provided that the Office of Education may purchase vending-stand equipment for use in Federal buildings and similar equipment for use in other buildings where licenses have been granted to blind persons by State licensing agencies.

I am informed that the proponents of this legislation have discussed the plan with various officers in the executive branch of the Government and at their request the bill has been amended so as to provide that every license granted for the operation of a vending stand in a Federal building shall be subject to the approval of the Federal agency in charge of that building.

It would seem desirable also to have a further amendment requiring that the establishment of vending stands in buildings in the District of Columbia require the consent of both the National Park Service and the head of the department occupying the building, for it would obviously be inappropriate to have stands of this character in some of the buildings here.

Inasmuch as the vocational opportunities for blind persons are very limited I am of the opinion that the enactment of a bill of this sort will serve a useful purpose. It has been demonstrated that blind persons can be trained to carry on business of this kind successfully.

There is one feature of the bill, however, which conflicts with the budgetary program of the President. I refer to the provision for purchase by the Federal Government rather than by the States (an estimated cost of \$750,000) of stands and stand equipment for loan by the State to the private operators of such stands, not only in Federal but also in non-Federal buildings in the States.

Sincerely yours,

FRANCES PERKINS.

OFFICE OF THE SECRETARY OF THE TREASURY,
Washington, April 27, 1936.

HON. DAVID I. WALSH,

Chairman, Committee on Education and Labor,
United States Senate.

DEAR MR. CHAIRMAN: Reference is made to your letter of March 31, 1936, requesting the views of this Department on H. R. 4688, an act to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes.

This Department is in complete sympathy with efforts to better the condition of blind persons. It is felt, however, that it is definitely unfair to restrict the economic opportunities provided by this bill to those afflicted with this one handicap. As an administrative practice, both blind and otherwise physically handicapped persons are now given employment in Federal buildings under the Department's control. There would seem to be no justification for depriving the latter class of the opportunities now afforded them and for replacing them with blind persons—as would be the likely consequence of enactment of the above bill.

For the reason above stated, this Department is definitely opposed to the enactment of H. R. 4688 in its present form.

Furthermore, I am advised by the Acting Director of the Budget that in view of recent liberal provisions for Federal aid to the blind, and of their underlying policy of direct State management of operations under the funds provided, the proposed legislation, particularly the proposal for the purchase and loan of the stands by the Federal Government, is not in accord with the program of the President, even if the objection made by this Department were obviated.

Very truly yours,

WAYNE C. TAYLOR,
Acting Secretary of the Treasury.

PROTECTION OF TRADE AND COMMERCE

The Senate proceeded to consider the bill (S. 3822) to amend the act entitled "An act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890, which was read as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890, is amended by striking out the period at the end of the first sentence thereof and inserting in lieu thereof a colon and the following: "Provided, That nothing herein contained shall render illegal contracts or agreements prescribing minimum prices or other conditions for the resale of a commodity which bears, or the label or container of which bears, the trade mark, brand, or name of the producer of such commodity and which is in free and open competition with commodities of the same general class produced by others, when contracts or agreements of that description are lawful as applied to intrastate transactions, under any statute, law, or public policy now or hereafter in effect in any State, Territory, or the District of Columbia in which such resale is made, or to which the commodity is to be transported following such resale, and the making of such contracts or agreements shall not be an unfair method of competition under section 5, as amended and supplemented, of the act entitled 'An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes', approved September 26, 1914."

Mr. McKELLAR. Mr. President, I should like to have an explanation of that bill.

Mr. TYDINGS. In reply to the Senator from Tennessee let me say by way of brief explanation that this bill was reported unanimously from the Committee on the Judiciary after hearings were held. It grows out of the fact that 12 States—New York, Illinois, Pennsylvania, New Jersey, Oregon, Washington, Wisconsin, Iowa, Maryland, Ohio, Virginia, Rhode Island, and California—have all adopted acts within their States regulating loss-leader selling and the making of contracts between a manufacturer and a distributor of an article. This has been done in an effort to make trade equal and fair and to eliminate discrimination. After hearings, the committee reported the bill unanimously and favorably. It simply backs up the action of those States which have already enacted valid laws which have been passed on by the courts.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CHARLES G. JOHNSON

The bill (H. R. 2479) for the relief of Charles G. Johnson, State treasurer of the State of California, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury

not otherwise appropriated, to Charles G. Johnson, State treasurer of the State of California, the sum of \$17,500. Such sum represents the value of 10 coupons from 3½-percent Treasury notes, series C-1930-32, nos. 3512B, 3513C, 3514D, 4361A, 4362B, 4363C, 4364D, 4365E, 4366F, and 4367H, of the \$100,000 denomination, which coupons were payable on December 15, 1929, and were lost or destroyed in the office of the State treasurer of California: *Provided*, That none of said coupons shall have been presented to the Treasury for payment and that Charles G. Johnson shall first file in the Treasury Department a bond in the penal sum of double the amount of the sum payable pursuant to the provisions of this act, in such form and with such corporate surety as may be acceptable to the Secretary of the Treasury, to indemnify and save harmless the United States from any loss on account of such lost or destroyed coupons.

The PRESIDING OFFICER. Without objection, Calendar No. 1925, being Senate bill 2609, an identical bill to the one just passed, will be indefinitely postponed.

COAT OF ARMS OF THE SWISS CONFEDERATION

The bill (S. 4667) to prohibit the commercial use of the coat of arms of the Swiss Confederation pursuant to the obligation of the Government of the United States, under article 28 of the Red Cross Convention signed at Geneva, July 27, 1929, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That it shall be unlawful for any person, partnership, incorporated or unincorporated company, or association within the jurisdiction of the United States to use, whether as a trade-mark, commercial label, or portion thereof, or as an advertisement or insignia for any business or organization or for any trade or commercial purpose, the coat of arms of the Swiss Confederation, consisting of an upright white cross with equal arms and lines on a red ground, or any simulation thereof: *Provided*, That no person, corporation, or association that actually used or whose assignors actually used a design or insignia identical with or similar to that described herein for any lawful purpose for 10 years next preceding the effective date of this act shall be deemed forbidden to continue the use thereof for the same purpose.

Sec. 2. Any person who willfully violates the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction shall be liable to a fine of not exceeding \$500 or imprisonment for a term not exceeding 1 year, or both.

THREE HUNDREDTH ANNIVERSARY OF SETTLEMENT OF DELAWARE RIVER VALLEY

The joint resolution (H. J. Res. 499) authorizing and requesting the President to extend to the Government of Sweden and individuals an invitation to join the Government and people of the United States in the observance of the three hundredth anniversary of the first permanent settlement in the Delaware River Valley, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

DISTRIBUTION OF OFFICERS OF COAST GUARD

The bill (S. 4654) to amend an act entitled "An act to distribute the commissioned line and engineer officers of the Coast Guard in grades, and for other purposes", approved January 12, 1923, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act to distribute the commissioned line and engineer officers of the Coast Guard in grades, and for other purposes", approved January 12, 1923 (42 Stat. 1130), is hereby amended by striking out the first proviso in that section and inserting the following proviso in lieu thereof: "*Provided*, That any officer who is now serving or shall hereafter serve as commandant in the Coast Guard shall, when retired, be retired with the rank of commandant and with the pay of a rear admiral (upper half) of the Navy on the retired list and that an officer whose term of service as commandant has expired may be appointed a captain and shall be an additional number in that grade, but, if not so appointed, he shall take the place on the lineal list in the grade that he would have attained had he not served as commandant and be an additional number in such grade;"

LOAD LINES OF COASTWISE VESSELS

The Senate proceeded to consider the bill (H. R. 11915) to amend the Coastwise Load Line Act of 1935, which had been reported from the Committee on Commerce with amendments on page 2, line 1, after the word "hour", to strike out "engaged". In establishing load water lines on passenger vessels due consideration shall be given to, and differentials shall be made for, the age and condition of the

vessel, its subdivision and efficacy thereof, and the stability of the vessel in a damaged condition", and insert "engaged:", and on the same page at the beginning of line 14, to strike out "vessels" and insert "tugs, barges, and self-propelled barges", so as to make the bill read:

Be it enacted, etc., That section 2 of of the Coastwise Load Line Act, 1935, approved August 27, 1935 (U. S. C., 1934 ed., Supp. I, title 46, sec. 88a), be amended to read as follows:

"Sec. 2. The Secretary of Commerce is hereby authorized and directed in respect of the vessels defined above to establish by regulations from time to time the load water lines and marks thereof indicating the maximum depth to which such vessels may safely be loaded and in establishing such load lines due consideration shall be given to, and differentials made for, the various types and character of vessels and the trades in which they are engaged: *Provided*, That the load-line provisions of this act shall apply to the Great Lakes and that no load line shall be established or marked on any vessel which load line gives a lesser freeboard and less buoyancy than the load line established by the International Treaty on Load Lines of 1930, and that the regulations established under this proviso shall have the force of law: *Provided further*, That in applying the load lines to vessels on the Great Lakes and to tugs, barges, and self-propelled barges engaged in special services on inter-island voyages and on coastwise voyages from port to port in the continental United States the Secretary of Commerce is vested with discretion to vary the load-line marks from those established by said treaty when in his opinion the changes made by him will not be above the actual line of safety."

Mr. McKELLAR. Mr. President, will the Senator from New York explain the bill?

Mr. COPELAND. Mr. President, this bill is one of three or four which follow on the calendar in immediate succession having to do with safety at sea. This particular bill has to do with the modification of the Load Line Act so that if a vessel has grown old it may be made sure that the load line is not too great. For example, the *Mohawk* was sunk by reason of the fact that the compartments did not come high enough. It is desired that there may be authority in the Department to insure the proper placing of the load line.

Mr. President, with regard to the first amendment the committee desires to modify the amendment which has been stated. The amendment has been considered by the committee. It is proposed to modify it so as to leave in the bill the language largely as it appeared originally:

engaged. In establishing load water lines on passenger vessels due consideration shall be given to, and differentials shall be made for, the age and condition of the vessel, its subdivision and efficacy thereof, and the probable stability of the vessel if damaged.

That is the way the committee would like to have the amendment as modified read.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York to the first amendment reported by the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The next amendment will be stated.

The CHIEF CLERK. On page 2, at the beginning of line 14, it is proposed to strike out "vessel" and insert "tugs, barges, and self-propelled barges."

The amendment was agreed to.

Mr. VANDENBERG. Mr. President, I have had an inquiry as to whether the language in lines 14 to 16, page 2, referring to "vessels engaged in special services on inter-island voyages," should not be eliminated.

Mr. COPELAND. That is exactly the purpose of this amendment, so that not only on the Great Lakes but also as to the Hawaiian Islands there shall be no load line marked where the vessels carry no passengers.

Mr. VANDENBERG. So the amendment which has been adopted corrects the situation to which I have referred.

Mr. COPELAND. It does.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

SAFETY AT SEA IN NEIGHBORHOOD OF ICE AND DERELICTS

The Senate proceeded to consider the bill (S. 4648) to promote safety at sea in the neighborhood of ice and derelicts, and for other purposes.

Mr. McKELLAR. Mr. President, what is the purpose of this bill?

Mr. COPELAND: It is to carry out the provisions of the safety-at-sea treaty where we maintain an iceberg patrol on the Atlantic and yet have no authority of law to carry on the patrol.

Mr. McKELLAR. Very well.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc.

INTERNATIONAL AGREEMENTS ON ICE PATROL AND DERELICT DESTRUCTION

SECTION 1. The President is authorized to conclude agreements with interested maritime nations (a) to maintain in the North Atlantic Ocean a service of ice patrol, of study and observation of ice and current conditions, and of assistance to vessels and their crews requiring aid within the limits of the patrol; (b) to maintain a service of study and observation of ice and current conditions in such waters as may affect the set and drift of ice in the North Atlantic Ocean; and (c) to undertake all practicable steps to insure the destruction or removal of derelicts in the northern part of the Atlantic Ocean, east of the line drawn from Cape Sable to a point in latitude 34° north, longitude 70° west, if this destruction or removal is necessary. The President is further authorized to include in such agreements a provision for payment to the United States by the countries concerned of their proportionate share of the expense for maintenance of the services named, or for the United States to contribute its proportionate share should it be agreed that another country was to maintain the patrol.

PATROL SERVICES

Sec. 2. (a) Unless the agreements made in accordance with section 1 provide otherwise, an ice patrol shall be maintained during the whole of the ice season in guarding the southeastern, southern, and southwestern limits of the region of the icebergs in the vicinity of the Grand Banks of Newfoundland, and the patrol shall inform trans-Atlantic and other passing vessels by radio and such other means as are available of the ice conditions and the extent of the dangerous region. A service of study of ice and current conditions, a service of affording assistance to vessels and crews requiring aid, and a service of removing and destroying derelicts shall be maintained during the ice season and any or all of such services may be maintained during the remainder of the year as may be advisable.

(b) The ice-patrol vessels shall warn vessels known to be approaching a dangerous area and recommend safe routes.

(c) The ice-patrol vessels shall record the name, together with all the facts in the case, of any ship which is observed or known to be on other than a regular recognized or advertised ship route crossing the North Atlantic Ocean, or to have crossed the fishing banks of Newfoundland north of latitude 43° north during the fishing season, or, when proceeding to and from ports of North America, to have passed through regions known or believed to be endangered by ice. The name of any such ship and all pertinent information relating to the incident shall be reported to the government of the country to which the ship belongs, if the government of that country so requests.

(d) The Commandant of the Coast Guard, under the direction of the Secretary of the Treasury, shall administer the services provided for in this section and shall assign thereto such vessels, material, and personnel of the Coast Guard as may be necessary. Any executive department or agency may, upon the request of the Secretary of the Treasury, detail personnel, loan or contribute material or equipment, or otherwise assist in the carrying out of the services named.

(e) The Commandant of the Coast Guard shall publish each year a report of the activities of the services provided for in this section, a copy of which shall be furnished to each interested foreign government and to each agency assisting in the work.

NORTH ATLANTIC ROUTES

Sec. 3. (a) The owner or operating agent of any passenger vessel of the United States crossing the North Atlantic Ocean shall give public notice, in such manner as may be prescribed by the Secretary of the Treasury, of the regular routes which he proposes such vessel will follow and of any changes made in a route, and shall require the vessel to follow the published route as far as circumstances will permit. Any passenger vessel of the United States crossing the North Atlantic Ocean shall follow, as far as circumstances will permit, the recognized ship routes; it shall avoid, as far as practicable, the fishing banks of Newfoundland, north of latitude 43° north during the fishing season; and shall, as far as circumstances will permit, pass outside of the regions reported or known to be endangered by ice.

(b) If the owner, or operating agent, of any such passenger vessel fails to comply with this section, he shall for each offense be liable to a fine not exceeding \$100.

Sec. 4. (a) The master of every vessel of the United States, when ice is reported on or near his course, shall proceed at a moderate speed or alter his course so as to go well clear of the danger zone.

(b) If the master of any such ship fails to comply with this section, he shall for each offense be liable to a fine not exceeding \$500.

PUBLICATION

Sec. 5. All rules and regulations, except such as have no general applicability and legal effect or are effective only against Federal agencies or persons in their capacity as officers, agents, or employees thereof, issued, prescribed, or promulgated pursuant to authority contained herein, shall be forwarded forthwith to the Division of the Federal Register in The National Archives for filing and publishing in the Federal Register.

WIRE AND RADIO COMMUNICATIONS AT SEA

The bill (S. 4619) to amend the Communications Act of 1934, approved June 19, 1934, for the purpose of promoting safety of life and property through the use of wire and radio communications, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 of the Communications Act of 1934 is hereby amended by inserting after the words "for the purpose of the national defense" a comma and the words "for the purpose of promoting safety of life and property through the use of wire and radio communication."

Sec. 2. Section 3 of the Communications Act of 1934 is hereby amended by adding at the end thereof four new subsections to read as follows:

"(w) (1) 'Ship' or 'vessel' includes every description of water craft or other artificial contrivance, except aircraft, used or capable of being used as a means of transportation on water, whether or not she is actually afloat.

"(2) A ship shall be considered a passenger ship if it carries or is authorized to carry more than 12 passengers.

"(3) A cargo ship means any ship not a passenger ship.

"(4) A passenger is any person carried on board a ship, except the officers and crew actually employed to man and operate the ship. Persons on board a ship shall not be considered passengers when they are carried either because of the obligation laid upon the master to carry shipwrecked, distressed, or other persons or by reason of any circumstance over which neither the master, the owner, nor the charterer (if any) has control.

"(x) 'Auto-alarm' on a foreign ship subject to the provisions of part II of title III of this act means an automatic alarm receiver which has been approved by the country to which the ship belongs: *Provided*, That the United States and the country in question are both parties to the same treaty or agreement in regard to the requirements for such apparatus. 'Auto-alarm' on a ship of the United States subject to the provisions of part II of title III of this act means an automatic alarm receiver approved by the Commission and which complies with at least the requirements of the General Radio Regulations annexed to the International Telecommunication Convention in force. Nothing in this act or in any other provision of law shall be construed to permit the recognition of an auto-alarm as complying with part II of title III of this act, on a foreign ship subject to such part, whose country of origin is not a party to a treaty or agreement with the United States in regard to such apparatus.

"(y) (1) For the purpose of part II of title III, a 'qualified operator' or 'operator' on a foreign ship means a person holding a certificate as such complying with the provisions of the General Radio Regulations annexed to the International Telecommunication Convention in force, or complying with an agreement or treaty between the United States and the country to which the ship belongs.

"(2) For the purpose of part II of title III, a 'qualified operator' or 'operator' on a ship of the United States means a person holding a radio operator's license of the proper class, as prescribed and issued by the Commission.

"(z) 'Harbor' or 'port' means any place to which ships may resort to load or unload passengers or goods, or to obtain fuel, water, or supplies. This term shall apply to such places whether proclaimed public or not and whether natural or artificial.

"Sec. 3. Subsection (k) of section 4 of the Communications Act of 1934 is hereby amended by substituting a colon for the period at the end of the subsection and adding the following: '*Provided further*, That each year, at the beginning of the session of the Congress, the Commission shall report to the Senate and the House of Representatives of the United States whether or not any new wire or radio communication legislation is required better to insure safety of life and property. If any new legislation is necessary the Commission shall prepare and submit it to the Congress.'

Sec. 4. Section 4 of the Communications Act of 1934 is amended by adding at the end thereof a new subsection to read as follows:

"(o) For the purpose of obtaining maximum effectiveness from the use of radio and wire communications in connection with safety of life and property, the Commission shall investigate and study all phases of the problem and the best methods of obtaining the cooperation and coordination of these systems. The Commission shall, by proper rules and regulations or by conditions incorporated

in the authorization or license, prescribe the conditions and procedure to be observed, in harmony with the law, in communications involving safety of life and property."

Sec. 5. Paragraph (m) of section 303 of the Communications Act of 1934 is hereby amended to read as follows:

"(m) (1) Have authority to suspend the license of any operator upon proof sufficient to satisfy the Commission that the licensee—

"(A) has violated any provision of any act or treaty binding on the United States, which the Commission is authorized to administer, or any regulation made by the Commission under any such act or treaty; or

"(B) has failed to carry out a lawful order of the master of the ship on which he is employed or of the person in command of the aircraft on which he is employed; or

"(C) has willfully damaged or permitted radio apparatus or installations to be damaged; or

"(D) has transmitted superfluous radio communications or signals or communications containing profane or obscene words, language, or meaning, or has knowingly transmitted—

"(1) false or deceptive signals or communications, or

"(2) a call signal or letter which has not been assigned by proper authority to the station he is operating; or

"(E) has willfully or maliciously interfered with any other radio communications or signals; or

"(F) has obtained or attempted to obtain, or has assisted another to obtain or attempt to obtain an operator's license by fraudulent means.

"(2) No order of suspension of any operator's license shall take effect until 15 days' notice in writing thereof, stating the cause for the proposed suspension, has been given to the operator licensee who may make written application to the Commission at any time within said 15 days for a hearing upon such order. The notice to the operator licensee shall not be effective until actually received by him, and from that time he shall have 15 days in which to mail the said application. In the event that physical conditions prevent mailing of the application at the expiration of the 15-day period, the application shall then be mailed as soon as possible thereafter, accompanied by a satisfactory explanation of the delay. Upon receipt by the Commission of such application for hearing, said order of suspension shall be held in abeyance until the conclusion of the hearing which shall be conducted under such rules as the Commission may prescribe. Upon the conclusion of said hearing the Commission may affirm, modify, or revoke said order of suspension."

Sec. 6. Subsection (n) 303 of the Communications Act of 1934 is hereby amended to read as follows:

"(n) Have authority to inspect all radio installations associated with stations required to be licensed by any act or which are subject to the provisions of any act, or treaty binding on the United States, to ascertain whether in construction, installation, and operation they conform to the requirements of the rules and regulations of the Commission, the provisions of any act, the terms of any treaty binding on the United States, and the conditions of the license or other document under which they are constructed, installed, or operated."

Sec. 7. Section 321 of the Communications Act of 1934 is hereby amended by striking out the first sentence of subsection (a).

Sec. 8. Section 322 of the Communications Act of 1934 is hereby amended to read as follows:

"Sec. 322. Every land station open to general public service between the coast and vessels or aircraft at sea shall, within the scope of its normal operations, be bound to exchange radio communications or signals with any ship or aircraft station at sea and each station on shipboard or aircraft at sea shall, within the scope of its normal operations, be bound to exchange radio communications or signals with any other station on shipboard or aircraft at sea or with any land station open to general public service between the coast and vessels or aircraft at sea: *Provided*, That such exchange of radio communication shall be without distinction as to radio systems or instruments adopted by each station."

Sec. 9. Section 329 of the Communications Act of 1934 is hereby amended to read as follows:

"Sec. 329. The Commission is authorized to designate any officer or employee of any other department of the Government on duty in any Territory or possession of the United States to render therein such service in connection with the administration of this Act as the Commission may prescribe and also to designate any officer or employee of any other department of the Government to render such services at any place within the United States in connection with the administration of title III of this Act as may be necessary: *Provided*, That such designation shall be approved by the head of the department in which such person is employed."

Sec. 10. (a) The heading of title III of the Communications Act of 1934 is hereby amended to read as follows:

"TITLE III—PROVISIONS RELATING TO RADIO

"PART I—SPECIAL PROVISIONS"

(b) Such title III is further amended by adding at the end thereof a new part as follows:

"PART II—RADIO EQUIPMENT AND RADIO OPERATORS ON BOARD SHIP

"PURPOSE

"Sec. 351. It is the purpose of this part to promote safety of life and property at sea through the use of radio.

"SHIP RADIO INSTALLATIONS AND OPERATIONS

"Sec. 352. Except as provided in section 353 hereof, it shall be unlawful—

"(a) For any ship of the United States, other than a cargo ship of less than 1,600 gross tons, to be navigated in the open sea or on the Great Lakes outside of a harbor or port, or for any ship of the United States or any foreign country, other than a cargo ship of less than 1,600 gross tons, to leave or attempt to leave any harbor or port of the United States for a voyage in the open sea or on the Great Lakes, unless such ship is equipped with an efficient radio installation in operating condition, in charge of and operated by a qualified operator or operators, adequately installed and protected so as to insure proper operation, and so as not to endanger the ship and radio installation, as hereinafter provided:

"(b) For any passenger ship of the United States of 5,000 gross tons, or over, to be navigated outside of a harbor or port, or for any such ship of the United States or any foreign country to leave or attempt to leave any harbor or port of the United States for a voyage in the open sea or on the Great Lakes, unless such ship is equipped with an efficient radio direction finder apparatus (radio compass) properly adjusted in operating condition as hereinafter provided, which apparatus, in the case of a ship of the United States, has been approved by the Commission.

"(c) In special cases, where the Commission considers that the route or conditions of the voyage make it reasonable or necessary, the above requirements may be applied to a vessel engaged on inland voyages.

"EXCEPTIONS

"Sec. 353. (a) The provisions of this part shall not apply to—

"(1) A ship of war.

"(2) A ship of the United States belonging to and operated by the Government, except a ship of the United States Shipping Board Bureau, the United States Shipping Board Merchant Fleet Corporation, the Inland and Coastwise Waterways Service, or the Panama Railroad Co.

"(b) The Commission may, if it considers that the route or the conditions of the voyage are such as to render a radio installation unreasonable or unnecessary for the purposes of this part, exempt from the provisions of this part any ship, or any class of ships, which falls within any of the following descriptions:

"(1) Passenger ships which in the course of their voyage do not go more than 20 nautical miles from the nearest land or more than 200 nautical miles between two consecutive ports;

"(2) Cargo ships which in the course of their voyage do not go more than 150 nautical miles from the nearest land;

"(3) Barges in tow;

"(4) Sailing ships.

"(c) The Commission may exempt any foreign ship from any of the technical requirements prescribed in section 355 if such ship has on board a certificate, issued by the country to which it belongs, certifying that the radio installation complies with the radio safety rules or laws of that country: *Provided, however*, That the radio installation is in such operating condition that, in the opinion of the Commission, the ship can proceed to sea without danger to the passengers and crew and will be able to respond to radio calls of distress from another ship or coast station.

"OPERATORS, WATCHES, AUTO-ALARM

"Sec. 354. (a) Each cargo ship required by this part to be fitted with a radio installation and which is not fitted with an auto-alarm, and each passenger ship required by this part to be fitted with a radio installation, shall, for safety purposes, carry at least two qualified operators, and, where the hours out of port exceed 48, at least three qualified operators shall be provided.

"(b) A cargo ship, required by this part to be fitted with a radio installation, which is fitted with an auto-alarm in accordance with this title, shall, for safety purposes, carry at least one qualified operator.

"(c) Each ship of the United States required by this part to be fitted with a radio installation shall, while being navigated outside a harbor or port, keep a continuous watch by means of qualified operators: *Provided, however*, That in lieu thereof on a cargo ship fitted with an auto-alarm, a watch of at least 8 hours per day, in the aggregate, shall be maintained by means of a qualified operator.

"(d) The Commission shall, for safety purposes, have authority to prescribe the particular hours of watch on a ship of the United States required by this part to be fitted with a radio installation.

"(e) On all ships of the United States fitted with an auto-alarm, said apparatus shall be in operation at all times while the ship is being navigated outside of a harbor or port when the operator is not on watch.

"TECHNICAL REQUIREMENTS

"Sec. 355. The radio installation and the radio direction-finding apparatus required by section 352 of this part shall comply with the following requirements:

"(a) The radio installation shall comprise a main and an emergency or reserve installation: *Provided, however*, That on a cargo ship, if the main installation complies also with all the requirements of an emergency or reserve installation, the emergency or reserve installation may be omitted.

"(b) The ship's radio operating room and the emergency or reserve installation shall be placed in the upper part of the ship in a position of the greatest possible safety and as high as practicable above the deepest load water line.

"(c) The main and emergency or reserve installations shall be capable of transmitting and receiving on the frequencies and types of waves designated by the Commission for the purpose of distress and safety of navigation.

"(d) The main installation shall have a normal transmitting and receiving range of at least 200 nautical miles, that is to say, it must be capable of transmitting and receiving clearly perceptible signals from ship to ship over a range of at least 200 nautical miles by day under normal conditions and circumstances.

"(e) Sufficient power shall be available at all times to operate the main radio installation efficiently under normal conditions over the range specified in subsection (d) of this section.

"(f) The emergency or reserve installation shall include a source of energy independent of the propelling power of the ship and of any other electrical system and shall be capable of being put into operation rapidly and of working for at least 6 continuous hours. For the emergency or reserve installation, the normal range as defined in subsection (d) of this section shall be at least 100 nautical miles.

"(g) There shall be provided between the bridge of the ship and the radio room, and between the bridge and the location of the direction finding apparatus, when the direction finding apparatus is not located on the bridge, an efficient means of communication.

"(h) The direction finding apparatus shall be efficient and capable of receiving clearly perceptible radio signals and of taking bearings from which the true bearing and direction may be determined. It shall be capable of receiving signals on the frequencies prescribed for distress, direction finding, and radio beacons by the General Radio Regulations annexed to the International Telecommunication Convention in force and in new installations after the effective date of this part, such other frequencies as the Commission may for safety purposes designate.

"LIFEBOATS

"Sec. 356. Every motor lifeboat, required by treaty to which the United States is a party, by statute, or by regulation made in conformity with a treaty or statute, to be carried on a ship, shall be fitted with an efficient radio installation under such rules and regulations as the Commission may find necessary to promote the safety of life.

"APPROVAL OF INSTALLATIONS

"Sec. 357 (a). Insofar as is necessary to carry out the purposes and requirements of this part, the Commission shall have authority, for any ship subject to this part—

"(1) To approve the details as to the location and manner of installations of the equipment required by this part or of equipment necessitated by reason of the purposes and requirements of this part.

"(2) To approve installations, apparatus, and spare parts necessary to comply with the purposes and requirements of this part.

"(3) To prescribe such additional equipment as may be determined to be necessary to supplement that specified herein, for the proper functioning of the radio installation installed in accordance with this part or for the proper conduct of radio communication in time of emergency or distress.

"(b) The Commission shall have authority to issue, or provide for the issuance of, radio certificates to ships of the United States in such form as may be necessary or desirable to facilitate the entry and departure of such ships into and from foreign ports.

"TRANSMISSION OF INFORMATION

"Sec. 358. (a) The master of every ship of the United States equipped with radio transmitting apparatus, on meeting with dangerous ice, a dangerous derelict, a tropical storm, or any other direct danger to navigation, shall cause to be transmitted all pertinent information relating thereto, to ships in the vicinity and to the appropriate authorities, in accordance with rules and regulations issued by the Commission, which authorities of the United States shall, when they consider it necessary, promptly bring the information received by them to the knowledge of those concerned and foreign authorities interested.

"(b) No charge shall be made by any ship or station in the mobile service of the United States for the transmission, receipt, or relay of the information designated in subsection (a) originating on a ship of the United States or of a foreign country.

"(c) The transmission by any ship of the United States, made in compliance with subsection (a), to any station which imposes a charge for the reception, relay, or forwarding of the required information, shall be free of cost to the ship concerned and any expense incurred by the ship for transmission, relay, or forwarding of the information may be certified to the Commission for reimbursement out of moneys appropriated to the Commission for that purpose.

"(d) No charge shall be made by any ship or station in the mobile service of the United States for the transmission of distress messages and replies thereto in connection with situations involving the safety of life and property at sea.

"(e) Notwithstanding any other provision of law, any station or carrier may render free service in connection with situations involving the safety of life and property, including hydrographic reports, weather reports, reports regarding aids to navigation and medical assistance to injured or sick persons on ships and aircraft at sea. All free service permitted by this subsection shall be subject to such rules and regulations as the Commission may prescribe, which rules may limit such free service to the extent which the Commission finds desirable in the public interest.

"AUTHORITY OF MASTER

"Sec. 359. The radio installation, the operators, the regulation of their watches, the transmission and receipt of messages, and the radio service of the ship except as they may be regulated by law or international agreement, or by rules and regulations made in pursuance thereof, shall in the case of a ship of the United States be under the supreme control of the master.

"FORFEITURES

"Sec. 360. The following forfeitures shall apply to this part, in addition to the penalties and forfeitures provided by title V of this act:

"(a) Any ship that leaves or attempts to leave any harbor or port of the United States in violation of the provisions of this part, or the rules and regulations of the Commission made in pursuance thereof, or any ship of the United States that is navigated outside of any harbor or port in violation of any of the provisions of this part, or the rules and regulations of the Commission made in pursuance thereof, shall forfeit to the United States the sum of \$500, recoverable by way of suit or libel. Each such departure or attempted departure, and each day during which such navigation occurs, shall constitute a separate offense.

"(b) Every willful failure on the part of the master of a ship of the United States to enforce or to comply with the provisions of this act or the rules and regulations of the Commission as to equipment, operators, watches, or radio service shall cause him to forfeit to the United States the sum of \$100."

Sec. 11. Paragraph (a) of section 402 of the Communications Act of 1934 is hereby amended by inserting after the words "or for modifications of an existing radio station license" a comma and the words "or suspending a radio operator's license."

Sec. 12. Subsection (b) of section 402 of the Communications Act of 1934 is hereby amended by adding at the end thereof a new paragraph to read as follows:

"(3) By any radio operator whose license has been suspended by the Commission."

Sec. 13. Paragraph (c) of section 402 of the Communications Act of 1934 is hereby amended by inserting after the words in the last sentence "upon the application" the words "or order".

Sec. 14. Section 504 of the Communications Act of 1934 is hereby amended to read as follows:

"PROVISIONS RELATING TO FORFEITURES

"Sec. 504. (a) The forfeitures provided for in this act shall be payable into the Treasury of the United States, and shall be recoverable in a civil suit in the name of the United States, brought in the district where the person or carrier has its principal operating office, or in any district through which the line or system of the carrier runs: *Provided*, That in the case of forfeiture by a ship, said forfeiture may also be recoverable by way of libel in any district in which such ship shall arrive or depart. Such forfeitures shall be in addition to any other general or specific penalties herein provided. It shall be the duty of the various district attorneys, under the direction of the Attorney General of the United States, to prosecute for the recovery of forfeitures under this act. The costs and expenses of such prosecutions shall be paid from the appropriation for the expenses of the courts of the United States.

"(b) The forfeitures imposed by title III, part II, of this act shall be subject to remission or mitigation by the Commission, upon application therefor, under such regulations and methods of ascertaining the facts as may seem to it advisable, and, if suit has been instituted, the Attorney General, upon request of the Commission, shall direct the discontinuance of any prosecution to recover such forfeitures: *Provided, however*, That no forfeiture shall be remitted or mitigated after determination by a court of competent jurisdiction."

Sec. 15. Section 602 of the Communications Act of 1934 is hereby amended by adding at the end thereof a new subsection to read as follows:

"(e) The act entitled 'An act to require apparatus and operators for radio communication on certain ocean steamers', approved June 24, 1910, as amended, is repealed as of the effective date of title III, part II."

Sec. 16. This act shall take effect 1 year after the date of enactment.

Sec. 17. The Communications Act of 1934 is hereby further amended by adding at the end thereof the following new section:

"PUBLICATION

"Sec. 610. All rules and regulations, except such as have no general applicability and legal effect or are effective only against Federal agencies or persons in their capacity as officers, agents, or employees thereof, issued, prescribed, or promulgated pursuant to authority contained herein, shall be forwarded forthwith to the Division of the Federal Register in The National Archives for filing and publishing in the Federal Register."

SHIPOWNERS' LIABILITY

The Senate proceeded to consider the bill (S. 4655) relative to limitation of shipowners' liability, which was read, as follows:

Be it enacted, etc., That section 4283 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 183; Supp. I, title 46, sec. 183), is hereby amended to read as follows:

"Sec. 4283. (a) The liability of the owner of any vessel, whether American or foreign, for any embezzlement, loss, or destruction

by any person of any property, goods, or merchandise shipped or put on board of such vessel, or for any loss, damage, or injury by collision, or for any act, matter, or thing, loss, damage, or forfeiture, done, occasioned, or incurred, without the privity or knowledge of such owner or owners, shall not, except in the cases provided for in subsection (b) of this section, exceed the amount or value of the interest of such owner in such vessel, and her freight then pending.

"(b) In the case of any seagoing vessel, if the amount of the owner's liability as limited under subsection (a) is insufficient to pay all losses in full, and the portion of such amount applicable to the payment of losses in respect of loss of life or bodily injury is less than \$60 per ton of such vessel's tonnage, such portion shall be increased to an amount equal to \$60 per ton, to be available only for the payment of losses in respect of loss of life or bodily injury. If such portion so increased is insufficient to pay such losses in full, they shall be paid therefrom in proportion to their respective amounts.

"(c) For the purposes of this section the tonnage of a seagoing steam or motor vessel shall be her gross tonnage without deduction on account of engine room, and the tonnage of a seagoing sailing vessel shall be her registered tonnage: *Provided*, That there shall not be included in such tonnage any space occupied by seamen or apprentices and appropriated to their use.

"(d) The owner of any such seagoing vessel shall be liable in respect of loss of life or bodily injury arising on distinct occasions to the same extent as if no other loss of life or bodily injury had arisen.

"(e) In respect of loss of life or bodily injury the privity or knowledge of the master of a seagoing vessel or of the superintendent or managing agent of the owner thereof, at or prior to the commencement of each voyage, shall be deemed conclusively the privity or knowledge of the owner of such vessel.

"(f) As used in subsections (b), (c), (d), and (e) of this section and in section 4283A, the term 'seagoing vessel' shall not include pleasure yachts, tugs, towboats, towing vessels, tank vessels, fishing vessels or their tenders, self-propelled lighters, nondescript self-propelled vessels, canal boats, scows, car floats, barges, lighters, or nondescript non-self-propelled vessels, even though the same may be seagoing vessels within the meaning of such term as used in section 4289 of this chapter, as amended."

SEC. 2. Chapter 6 of title 48 of the Revised Statutes, as amended, is hereby amended by inserting after section 4283A the following new section:

"SEC. 4283B. STIPULATIONS LIMITING LIABILITY FOR NEGLIGENCE INVALID.—It shall be unlawful for the manager, agent, master, or owner of any vessel transporting passengers between ports of the United States or between any such port and a foreign port to insert in any rule, regulation, contract, or agreement any provision or limitation (1) purporting, in the event of loss of life or bodily injury arising from the negligence or fault of such owner or his servants, to relieve such owner, master, or agent from liability, or from liability beyond any stipulated amount, for such loss or injury; or (2) purporting in such event to lessen, weaken, or avoid the right of any claimant to a trial by court of competent jurisdiction on the question of liability for such loss or injury, or the measure of damages therefor. All such provisions or limitations contained in any such rule, regulation, contract, or agreement are hereby declared to be against public policy and shall be null and void and of no effect."

SEC. 3. Section 4285 of the Revised Statutes (U. S. C., 1934 ed., title 46, sec. 185) is hereby amended to read as follows:

"SEC. 4285. The vessel owner, within 6 months after a claimant shall have given to or filed with such owner written notice of claim, may petition a district court of the United States of competent jurisdiction for limitation of liability within the provisions of this chapter, as amended, and the owner (a) shall deposit with the court, for the benefit of claimants, a sum equal to the amount or value of the interest of such owner in the vessel and freight, or approved security therefor, and in addition such sums, or approved security therefor, as the court may from time to time fix as necessary to carry out the provisions of section 4283, as amended, or (b) at his option shall transfer, for the benefit of claimants, to a trustee to be appointed by the court his interest in the vessel and freight, together with such sums, or approved security therefor, as the court may from time to time fix as necessary to carry out the provisions of section 4283, as amended. Upon compliance with the requirements of this section all claims and proceedings against the owner with respect to the matter in question shall cease."

SEC. 4. Section 4289 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 46, sec. 188), is hereby amended to read as follows:

"SEC. 4289. Except as otherwise specifically provided therein, the provisions of the nine preceding sections and of section 18 of the act entitled 'An act to remove certain burdens on the American merchant marine and encourage the American foreign carrying trade and for other purposes', approved June 26, 1884 (23 Stat. 57; U. S. C., 1934 ed., title 46, sec. 189), shall apply to all seagoing vessels, and also to all vessels used on lakes or rivers or in inland navigation, including canal boats, barges, and lighters."

SEC. 5. Section 2 of the act entitled "An act relative to limitation of shipowners' liability", approved August 29, 1935 (U. S. C., 1934 ed., Supp. I, sec. 183a), is hereby repealed.

Mr. McKELLAR. Mr. President, let us have an explanation of the bill.

Mr. COPELAND. Mr. President, this bill proposes to amend the Owners' Liability Act which was passed last year. That act places a definite responsibility upon the owner of the vessel in case of loss of life to the extent, as I recall, of \$75 or \$80 a ton. However, some of the smaller operators, and immoral ones, have printed on the back of the ticket in fine type that in case of death the loss shall be limited to \$200 or something like that. The bill is for the protection of the American people.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMERICAN NATIONAL INSTITUTE AT PARIS, FRANCE

The bill (S. 2550) to incorporate the American National Institute (Prix de Paris), at Paris, France, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Rev. Nathan A. Seagle, doctor of divinity; Col. Edward N. Wentworth; J. M. Clinton; Charles P. Gardiner; Sarah E. Henderson; George A. Conlon; Emanuel A. Cavacos; Edward A. Minizzoli; Matilda Smedley, the founder; Blanche Smedley von Daur; Dean Frederick Beekman, Pro Cathedral of the Holy Trinity, Paris, France; Bishop Charles Wesley Burns, doctor of divinity, of the San Francisco area of the Methodist Episcopal Church, San Francisco, Calif.; Bishop Louis C. Sanford, doctor of divinity, Protestant Episcopal Church, Fresno, Calif.; Bishop Edwin H. Hughes, D. D., Chicago area of the Methodist Episcopal Church, Chicago, Ill.; Bishop Francis J. McConnell, D. D., Methodist Episcopal Church, New York City, N. Y.; Rev. S. Parkes Cadman, D. D., Brooklyn, N. Y.; Rev. Dr. Dillon Bronson, Los Angeles, Calif.; Rev. Dr. Harry Marsh Warren, New York City, N. Y.; Tully C. Knowles, D. D., College of the Pacific, Stockton, Calif.; President Edmund D. Soper, Ohio Wesleyan University, Delaware, Ohio; President John L. Roemer, Lindenwood College, St. Charles, Mo.; Prof. Richard Gottheil, Columbia University, New York City, N. Y.; Prof. Willard H. Bonner, University of Buffalo, Buffalo, N. Y.; Prof. Herbert Adams Gibbons, Princeton University, Princeton, N. J.; Prof. John Shapley, University of Chicago, Chicago, Ill.; Hon. L. E. Behymer, impressario, Los Angeles, Calif.; Loring P. Rixford, architect, San Francisco, Calif., and New York City, N. Y.; Robert B. Harshe, director of the Art Institute of Chicago, Chicago, Ill.; Clarence C. Little, Roscoe B. Jackson Memorial Laboratory, Bar Harbor, Maine; Arthur G. Leonard, president, Union Stock Yard Transit Co., Chicago, Ill.; Dr. Frederick Schlieder, director and composer, New York City, N. Y.; Dr. Rudolf A. Clemen, Armour's Livestock Bureau, Chicago, Ill.; Robert C. Lafferty, architect, New York City, N. Y.; Dean Charles M. Dennis, conservatory of music, College of the Pacific, Stockton, Calif.; Howard Hanson, director Eastman School of Music, the University of Rochester, Rochester, N. Y.; President H. S. Boardman, University of Maine, Orono, Maine; Harvey Wiley Corbett, architect, president of the Society of Beaux Arts, New York City, N. Y.; William Adams Delano, architect, ex-president of the Society of Beaux Arts, New York City, N. Y.; William van Alen, architect, New York City, N. Y.; and Miss Florence Adams, Brooklyn, N. Y.; Dean Juliana Haskell, Columbia University, New York City, N. Y.; Rev. Roeliff H. Brooks, M. A. S. T. D., St. Thomas Church, New York City, N. Y.; Hon. William J. Laub, Akron, Ohio; Lillian Elliott, Scarsdale, N. Y.; Hon. Burton Thompson Beach, New York City, N. Y.; Dean Arthur E. Westbrook, school of music, Illinois Wesleyan University, Bloomington, Ill.; Florence Heizer, Osage City, Kans., assistant professor of English, Kansas State College, Manhattan, Kans.; their associates and successors, are hereby created a body corporate and politic in the District of Columbia, by the name of the "American National Institute in Paris, France", with the right to implead and be impleaded and to adopt a constitution, bylaws, and corporate seal.

The objects of this corporation are to construct a building in said city of Paris, and there to provide favorable conditions of surroundings and direction for American students, to be admitted under proper certificates of examination of fitness by competition, and to facilitate their studies and training in the arts and sciences, including architecture, sculpture, painting, applied design, music, dramatic art, literature, languages, scientific instruction, and research.

SEC. 2. That said corporation is hereby empowered to acquire property, both real and personal, by deed, lease, devise, subscription, purchase, gift, or by any other lawful means in the United States and in France, and to take over, hold, and administer all the property of the American National Institute (Prix de Paris), a corporation heretofore incorporated under the laws of the State of New York, including all its scholarships, subscriptions, bequests, gifts and pledges, and ground conceded by the municipality of the city of Paris, France, seal and emblem.

SEC. 3. That the incorporators shall have the power to add to their number and to fill any vacancy which may occur therein by reason of death, resignation, or disability.

SEC. 4. That the corporation shall determine the times and places of its meetings and shall determine the number, tenure,

duties, and salaries of the officers, committees, and agents of the corporation.

The said corporation shall have its principal office in Washington, in the District of Columbia; that no official of the United States shall be eligible to serve as director of the said corporation. When any director shall become an official of the United States he shall cease by virtue of this act to be a director of the corporation hereby authorized. Under no circumstance shall the United States be liable for any obligation incurred by this corporation.

Sec. 5. That said corporation may send annually a report to the Secretary of State, who shall communicate to Congress such portion thereof as he may deem of national interest and importance.

Sec. 6. That said corporation or board of regents may send each year to the Library of Congress, subject to the approval of the Joint Committee on the Library of the two Houses of Congress, or such place as may be decided upon, such works of the students of the institute as may be agreed upon between the jurors of the American National Institute and the board of regents as suitable for preservation and exhibition.

Sec. 7. That all gifts and bequests of money to the institute, unless otherwise directed by the donor, shall be invested in United States bonds, so far as may be consistent with the conditions of such gifts and bequests.

Sec. 8. That any scholarship, donated or bequeathed, shall be applied to that branch of education specified by the donor. A 3 years' scholarship, a supplementary scholarship for a year's study, enabling our laureate students to continue their studies in other art centers of Europe.

BILL PASSED OVER

The bill (H. R. 9483) to extend the provisions of the Forest Exchange Act, as amended, to certain lands, so that they may become part of the Umatilla and Whitman National Forests, was announced as next in order.

Mr. KING. Mr. President, I should like to have an explanation of the bill. I should like to know from the Senators from the State in which the forest reserves are located whether they are satisfied to have an extension of the Forest Exchange Act to those reserves. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over. The clerk will state the next business on the calendar.

AMOUNTS DUE ON DELINQUENT HOMESTEAD ENTRIES

The Senate proceeded to consider the bill (S. 3869) to authorize payment to the Indians of the Fort Peck Reservation of the amounts due on certain delinquent homestead entries, which had been reported from the Committee on Public Lands and Surveys with an amendment to strike out all after the enacting clause and insert:

That there is hereby authorized to be appropriated an amount equal to the amount of the unpaid balance of principal and interest which the Secretary of the Interior may find to be on homestead and other entries on opened lands of the Cheyenne River, Colville, Fort Berthold, Fort Totten, Fort Peck, Pine Ridge, Rosebud, Shoshone, and Standing Rock Reservations, and the Chippewa lands in Minnesota opened in accordance with the Act of January 14, 1889 (25 Stat. L. 642), on the date of the enactment of this Act, less an amount equal to the amount of payments made on such homestead entries after the enactment of this Act and before the appropriation herein authorized has been made. Such an amount when appropriated shall be placed to the credit of the Indian tribes of such reservations in the Treasury of the United States, and shall be available upon the recommendation of the Indian tribe or tribes concerned for making permanent improvements on lands of the Indians, including the development of irrigation and the granting of aid to individual Indians in establishing permanent homes, and for the purchase of lands on said reservations from individual Indians or from white owners, in the discretion of the Secretary of the Interior, and under such regulations as he may prescribe. Title to any lands so purchased shall be taken in the name of the United States in trust for the respective Indian tribes and such lands shall not be allotted in severalty.

Sec. 2. The provisions of this Act shall in no way affect the liability of entrymen on such opened lands in the said Indian reservations to complete payments on their entries. Any payments made by said homesteaders after the appropriation authorized by this Act has been made shall be covered into the general fund of the Treasury of the United States. If any entry shall be relinquished or canceled on which the United States shall have advanced payments to the Indians of the reservation involved, said payments shall be reimbursed to the United States out of any funds on deposit in the Treasury of the United States to the credit of the said Indians.

Mr. KING. Mr. President, I have had a very brief conversation with the Senator from Montana [Mr. MURRAY]. I have had some knowledge of the Fort Peck Reservation and of the large sums of money which have been expended there by the Government of the United States. I am not sufficiently familiar, however, with this particular angle of

the relations between the Government and the reservation. I stated to the Senator, therefore, that, while I believed that this proposed legislation was not fair to the Government, yet I would not object to it, with the understanding that I would enter a motion during the day to reconsider, and then obtain further information, with a view to having the bill disposed of at an early date.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

Mr. POPE. Mr. President, I should like to ask the Senator from Montana where the reservations are located which are referred to in the bill?

Mr. MURRAY. The bill applies to various Indian reservations located in the Western States. A list of them is set forth in the report of the committee and in the report from the Secretary of the Interior.

Mr. POPE. Is it the purpose to include all reservations in the West which are in a similar situation?

Mr. MURRAY. Yes; the bill covers all the Indian reservations of the West where a similar situation exists.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize payment of the amounts due on delinquent homestead entries on certain Indian reservations."

GENERAL PULASKI'S MEMORIAL DAY

The Senate proceeded to consider the joint resolution (S. J. Res. 187) authorizing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 6, after the word "October", to strike out "11 of each year" and insert "11, 1936", so as to make the joint resolution read:

Resolved, etc., That the President of the United States is authorized and directed to issue a proclamation calling upon officials of the Government to display the flag of the United States on all governmental buildings on October 11, 1936, and inviting the people of the United States to observe the day in schools and churches or other suitable places, with appropriate ceremonies in commemoration of the death of Gen. Casimir Pulaski.

Mr. McKELLAR. Mr. President, may we have an explanation of the joint resolution?

Mr. VAN NUYS. Mr. President, the joint resolution as originally introduced authorized the President to proclaim October 11 of each year General Pulaski's Memorial Day, that being the anniversary of General Pulaski's birth. The committee reported an amendment proposing to strike out the words "of each year", and inserting "1936." The President signed a similar joint resolution last year for the year 1935, and similar measures along the line of the bill as proposed to be amended have been signed for several years.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "Joint resolution authorizing the President of the United States of America to proclaim October 11, 1936, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski."

ANNIVERSARY OF BATTLE OF ANTIETAM—COINAGE OF 50-CENT PIECES

The bill (S. 4394) to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth anniversary of the Battle of Antietam, was announced as next in order.

Mr. TYDINGS. Mr. President, I move that House bill 12168, which is now on the calendar and which is identical with the Senate bill, be substituted for the Senate bill and be considered at this time.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 12168) to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth anniversary of the Battle of Antietam, which had been reported from the Committee on Banking and Currency, on page 1, line 6, after the word "not", to strike out "less than 25" and insert "to exceed 50", so as to make the bill read:

Be it enacted, etc., That in commemoration of the seventy-fifth anniversary of the Battle of Antietam there shall be coined at a mint of the United States to be designated by the Director of the Mint not to exceed 50,000 silver 50-cent pieces of standard size, weight, and composition and of a special appropriate single design to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, but the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

Sec. 2. The coins herein authorized shall bear the date 1937, irrespective of the year in which they are minted or issued, shall be legal tender in any payment to the amount of their face value, and shall be issued only upon the request of the Washington County Historical Society of Hagerstown, Md., upon payment by it of the par value of such coins, but not less than 25,000 such coins shall be issued to it at any one time and no such coins shall be issued after the expiration of 1 year after the date of enactment of this act. Such coins may be disposed of at par or at a premium by such Washington County Historical Society of Hagerstown, Md., and the net proceeds shall be used by it in defraying the expenses incidental and appropriate to the commemoration of such event.

Sec. 3. All laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material, and for the transportation, distribution, and redemption of coins, for the prevention of debasement or counterfeiting, for the security of the coins, or for any other purposes, whether such laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read the third time.

The bill was read the third time, and passed.

The PRESIDING OFFICER. Without objection Senate bill 4394 will be indefinitely postponed.

SAN FRANCISCO-OAKLAND BAY BRIDGE—COINAGE OF 50-CENT PIECES

The Senate proceeded to consider the bill (S. 4464) to authorize the coinage of 50-cent pieces in celebration of the opening of the San Francisco-Oakland Bay Bridge, which had been reported from the Committee on Banking and Currency, with an amendment, on page 2, section 2, at the beginning of line 9, to strike out "five" and insert "twenty-five", so as to make the bill read:

Be it enacted, etc., That in celebration of the opening of the San Francisco-Oakland Bay Bridge there shall be coined at a mint of the United States to be designated by the Director of the Mint not to exceed 200,000 silver 50-cent pieces of standard size, weight, and composition, and of a special appropriate single design to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, but the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

Sec. 2. The coins herein authorized shall bear the date 1936, irrespective of the year in which they are minted or issued, shall be legal tender in any payment to the amount of their face value, and shall be issued only upon the request of the San Francisco Clearing House Association, upon payment by it of the par value of such coins, but not less than 25,000 such coins shall be issued to it at any one time and no such coins shall be issued after the expiration of 1 year after the date of enactment of this act. Such coins may be disposed of at par or at a premium by such association and the net proceeds shall be used by it in defraying the expenses incidental and appropriate to the celebration of such event.

Sec. 3. All laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material, and for the transportation, distribution, and redemption of coins, for the prevention of debasement or counterfeiting, for the security of the coins, or for any other purposes, whether such laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FOUNDING OF YORK COUNTY, MAINE—COINAGE OF 50-CENT PIECES

The Senate proceeded to consider the bill (S. 4608) to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the founding of York County, Maine, which had been reported from the Committee on Banking and Currency, with an amendment, in section 2, page 2, line 9, after the word "than", to strike out "five" and insert "twenty-five", so as to make the bill read:

Be it enacted, etc., That in commemoration of the three hundredth anniversary of the founding of York County, Maine, there shall be coined at a mint of the United States to be designated by the Director of the Mint not to exceed 30,000 silver 50-cent pieces of standard size, weight, and composition and of special appropriate single design to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, but the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

Sec. 2. The coins herein authorized shall bear the date 1936, irrespective of the year in which they are minted or issued, shall be legal tender in any payment to the amount of their face value, and shall be issued only upon the request of the Committee for the Commemoration of the Founding of York County upon payment by it of the par value of such coins, but not less than 25,000 such coins shall be issued to it at any one time and no such coins shall be issued after the expiration of 1 year after the date of enactment of this act. Such coins may be disposed of at par or at a premium by such committee, and the net proceeds shall be used by it in defraying the expenses incidental and appropriate to the commemoration of such event.

Sec. 3. All laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material, and for the transportation, distribution, and redemption of coins, for the prevention of debasement or counterfeiting, for the security of the coins, or for any other purposes, whether such laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FOUNDING OF ALBANY, N. Y.—COINAGE OF 50-CENT PIECES

The Senate proceeded to consider the bill (H. R. 7690) to authorize the coinage of 50-cent pieces in commemoration of the two hundred and fiftieth anniversary of the founding of the city of Albany, N. Y., which had been reported from the Committee on Banking and Currency with an amendment to strike out all after the enacting clause and insert:

That in commemoration of the two hundred and fiftieth anniversary of the founding of the city of Albany, N. Y., there shall be coined at a mint of the United States to be designated by the Director of the Mint not to exceed 25,000 silver 50-cent pieces of standard size, weight, and composition and of a special appropriate single design to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, but the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

Sec. 2. The coins herein authorized shall bear the date 1936, irrespective of the year in which they are minted or issued, shall be legal tender in any payment to the amount of their face value, and shall be issued only upon the request of a committee of not less than three persons duly authorized by the mayor of the city of Albany, N. Y., upon payment by it of the par value of such coins, but not less than 25,000 such coins shall be issued to it at any one time and no such coins shall be issued after the expiration of 1 year after the date of enactment of this act. Such coins may be disposed of at par or at a premium by such committee, and the net proceeds shall be used by it in defraying the expenses incidental and appropriate to the commemoration of such event.

Sec. 3. All laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material, and for the transportation, distribution, and redemption of coins, for the prevention of debasement or counterfeiting, for the security of the coins, or for any other purposes, whether such laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

FOUNDING OF ELGIN, ILL.—COINAGE OF 50-CENT PIECES

The Senate proceeded to consider the bill (H. R. 8234) to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the founding of the city

of Elgin, Ill., and the erection of a heroic pioneer memorial, which had been reported from the Committee on Banking and Currency with an amendment to strike out all after the enacting clause and insert:

That in commemoration of the one hundredth anniversary of the founding of the city of Elgin, Ill., and the erection of the heroic Pioneer Memorial, there shall be coined at a mint of the United States, to be designated by the Director of the Mint, not to exceed 25,000 silver 50-cent pieces of standard size, weight, and composition, and of a special appropriate single design containing a replica of the "Pioneers", to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, but the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

SEC. 2. The coins herein authorized shall bear the date 1936, irrespective of the year in which they are minted or issued, shall be legal tender in any payment to the amount of their face value, and shall be issued only upon the request of the chairman of the coinage committee of the Elgin Centennial Monumental Committee, upon payment by him of the par value of such coins, but not less than 25,000 such coins shall be issued to him at any one time, and no such coins shall be issued after the expiration of 1 year after the date of enactment of this act. Such coins may be disposed of at par or at a premium by such committee, and the net proceeds shall be used by it in defraying the expenses incidental and appropriate to the commemoration of such event.

SEC. 3. All laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material, and for the transportation, distribution, and redemption of coins, for the prevention of debasement or counterfeiting, for the security of the coins, or for any other purposes, whether such laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ANNIVERSARY OF BATTLE OF GETTYSBURG—COINAGE OF 50-CENT PIECES

The Senate proceeded to consider the bill (H. R. 11533) to authorize the coinage of 50-cent pieces in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg, which had been reported from the Committee on Banking and Currency with an amendment to strike out all after the enacting clause and insert:

That in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg, there shall be coined at a mint of the United States to be designated by the Director of the Mint not to exceed 50,000 silver 50-cent pieces of standard size, weight, and composition and of a special appropriate single design to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, but the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

SEC. 2. The coins herein authorized shall bear the date 1936, irrespective of the year in which they are minted or issued, shall be legal tender in any payment to the amount of their face value, and shall be issued only upon the request of a committee of not less than eight persons duly authorized by the Governor of the State of Pennsylvania, upon payment by it of the par value of such coins, but not less than 25,000 such coins shall be issued to it at any one time and no such coins shall be issued after the expiration of 1 year after the date of the enactment of this act. Such coins may be disposed of at par or at a premium by such committee, and the net proceeds shall be used by it in defraying the expenses incidental and appropriate to the commemoration of such event.

SEC. 3. All laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material, and for the transportation, distribution, and redemption of coins, for the prevention of debasement or counterfeiting, for the security of the coins, or for any other purposes, whether such laws are penal or otherwise shall, so far as applicable, apply to the coinage herein authorized.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 11688) providing for a change in the design of the 50-cent pieces authorized to be coined in commemoration of the one hundredth anniversary of the admission of

the State of Arkansas into the Union was announced as next in order.

Mrs. CARAWAY. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

EXAMINATION AND SURVEY FOR DEEP WATER CHANNEL, LOUISIANA

The Senate proceeded to consider the bill (S. 4538) providing for an examination and survey for a deep-water channel from New Iberia, parish of Iberia, La., to the Gulf of Mexico, which had been reported from the Committee on Commerce with an amendment on page 1, after line 7, to insert "the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors"; so as to make the bill read:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause a preliminary examination and survey to be made for a deep-water channel from New Iberia, parish of Iberia, La., to the Gulf of Mexico so as to meet the demands of present and prospective commerce, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

Mr. KING. Mr. President, may I inquire of the Senator from New York why this and a number of other measures for surveys were not included in the omnibus bill which was recently passed and which provided for I do not know how many hundreds of such surveys?

Mr. OVERTON. I may say to the Senator that the surveys in the bill referred to by him related to flood-control projects. This proposal has no relation whatever to flood control.

Mr. KING. To what is it related?

Mr. OVERTON. The bill provides for a survey in order to ascertain whether or not a deep-water channel from New Iberia, La., to the Gulf of Mexico would be economically feasible.

Mr. ROBINSON. Mr. President, this bill has relationship to navigation and commerce but not to flood control.

Mr. OVERTON. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DEPORTATION OF ALIEN CRIMINALS

Mr. COOLIDGE. Mr. President, I ask unanimous consent that the Senate recur to Order of Business 1210, being Senate bill 2969, relative to the deportation of alien criminals, and so forth.

Mr. ROBINSON. Mr. President, I suggest to the Senator that he wait until the call of the calendar shall have been concluded.

Mr. COOLIDGE. Very well.

BOUNDARIES OF HOT SPRINGS NATIONAL PARK, ARK.

The Senate proceeded to consider the bill (H. R. 9183) to provide for the extension of the boundaries of the Hot Springs National Park in the State of Arkansas, and for other purposes, which had been reported from the Committee on Public Lands and Surveys with an amendment, at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That the boundaries of the Hot Springs National Park in the State of Arkansas be, and the same are hereby, extended to include the following land, to wit: Lot 11, block 101; lot 5, block 185; lot 6, block 186; lots 5, 6, and 7, block 187; and lots 1, 2, 3, 6, and 15, block 188, United States Hot Springs Reservation, as surveyed, mapped, and plotted by the United States Hot Springs Commission, and any of such lands when acquired by the Secretary of the Interior on behalf of the United States shall be and remain a part of the Hot Springs National Park, subject to all laws and regulations applicable thereto: *Provided,* That the lands hereinabove described may be acquired within funds already appropriated and at a cost not to exceed \$15,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

OMAHA-COUNCIL BLUFFS MISSOURI RIVER BRIDGE BOARD OF TRUSTEES

The Senate proceeded to consider the bill (S. 4037) to amend the act relating to the Omaha-Council Bluffs Missouri River Bridge Board of Trustees, approved June 10, 1930, and for other purposes, which had been reported from the Committee on Commerce with amendments, on page 3, section 2, line 7, after the words "limits of", to insert "either or"; and in line 21, after the word "thereof", to insert "Any other provisions of this act or of section 3 of such act of 1930, to the contrary notwithstanding, said Commission may create a fund from all or any part of the surplus earnings of any bridge owned and operated by it, in excess of the amounts required or pledged for operation, maintenance, interest, and amortization and apply same toward the payment of bonds held by the United States and outstanding against the bridge constructed under the provisions of section 4 of such act of 1930", so as to make the bill read:

Be it enacted, etc., That the Omaha-Council Bluffs Missouri River Bridge Board of Trustees, created by section 3 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and completing the construction of other bridges over the navigable waters of the United States", approved June 10, 1930, shall henceforth be known and designated as the Omaha-Council Bluffs Bridge Commission, and each of its members shall be known and designated as a commissioner. The Commission may issue bonds payable from and secured by bridge revenues for the purpose of carrying out the powers vested in said Commission by this act and section 3 of such act of 1930. The Commission may enter into an agreement with any bank or corporation as trustee having the power to make such agreement, setting forth the duties of the Commission in respect of the construction, maintenance, operation, repair, and insurance of any bridge or bridges, the collection of tolls, the conservation and application of all funds, the safeguarding of moneys on hand or on deposit, and the rights and remedies of said trustee and the holders of bonds, as is customary in trust agreements respecting bonds of corporations.

Sec. 2. Any bridge constructed or to be constructed or owned and operated by said Commission shall be deemed to be an instrumentality for interstate commerce, the Postal Service, and military and other governmental purposes, and in the public interest, so that each bridge may be financed upon most advantageous terms and freed of tolls as expeditiously as possible, but in no case shall the amortization period exceed 20 years. Such bridge properties, including any bonds issued in connection therewith, real estate, easements, rights and privileges, and the income derived therefrom shall be exempt from Federal, State, municipal, and local taxation as are the publicly owned toll bridges constructed and operated by the several States, their agencies, instrumentalities, and political subdivisions. Said Commission may purchase and operate any existing bridge over the Missouri River which (including approaches) abuts upon or enters into the corporate limits of either or both the cities of Omaha, Nebr., and Council Bluffs, Iowa, and to pay the cost of any such bridge so purchased the Commission may, either separately or in conjunction with the financing of any other bridge, issue bonds as provided in this act and section 3 of such act of 1930: *Provided, however,* That said Commission shall operate each of the bridges under its control and charge and collect such rates of tolls for transit over same as will not reflect upon or impair the earnings of any other bridge to such an extent as to adversely affect any outstanding bonds which the Commission may have theretofore issued for account of such other bridge, and the construction of no competing bridge shall hereafter be authorized, the operation of which will adversely affect such outstanding bonds unless provision is otherwise made for the payment thereof. Any other provisions of this act or of section 3 of such act of 1930, to the contrary notwithstanding, said Commission may create a fund from all or any part of the surplus earnings of any bridge owned and operated by it, in excess of the amounts required or pledged for operation, maintenance, interest, and amortization and apply same toward the payment of bonds held by the United States and outstanding against the bridge constructed under the provisions of section 4 of such act of 1930.

(b) The Commission shall exercise the same powers, duties, and privileges, insofar as applicable, with respect to any bridge purchased under the provisions of this section as in the case of the bridge authorized to be constructed under section 3 of such act of 1930.

Sec. 3. The times for commencing and completing the construction of the bridge authorized to be built by section 3 of such act of 1930, as extended, are hereby further extended 1 and 3 years, respectively, from June 10, 1936.

Sec. 4. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ARTHUR LEE DASHER

The bill (S. 4491) for the relief of Arthur Lee Dasher, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized to summon Arthur Lee Dasher, late captain, Field Artillery, Regular Army of the United States, before a retiring board for the purpose of hearing his case and to inquire into all facts touching upon the nature of his disabilities, to determine and report the disabilities which, in its judgment, have produced his incapacity and whether such disabilities were incurred during his active service in the Army and were in line of duty. That if the findings of such board are in the affirmative, the President is further authorized, in his discretion, to nominate and appoint, by and with the advice and consent of the Senate, the said Arthur Lee Dasher as a captain, Field Artillery, Regular Army of the United States, and to place him immediately thereafter upon the retired list of the Army with the same privileges and retired pay as are now or may hereafter be provided by law or regulations for the officers of the Regular Army: *Provided,* That the said Arthur Lee Dasher shall not be entitled to any back pay or allowance by reason of the passage of this act.

ADMINISTRATION OF UNITED STATES SOLDIERS' HOME

The bill (S. 4652) to provide for the administration of the United States Soldiers' Home was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

Mr. SHEPPARD. Mr. President, the bill merely provides that not more than five retired officers at the Soldiers' Home in Washington may be paid a small amount additional to their retired pay, the amount to be taken out of the revenues of the home. It involves no charge upon the Government.

Mr. McKELLAR. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That not to exceed five retired officers of the Regular Army may be assigned to active duty at the United States Soldiers' Home, who while so serving, and notwithstanding any other provision of law, shall be entitled to the pay and allowances of officers of the same rank and length of service on the active list of the Army: *Provided,* That the difference between active-duty pay and allowances and retired pay of such officers shall be paid from funds appropriated for the maintenance and operation of the Soldiers' Home.

AIR RESERVE TRAINING CORPS

The Senate proceeded to consider the bill (H. R. 11969) to promote national defense by organizing the Air Reserve Training Corps.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

Mr. SHEPPARD. Mr. President, at the request of the House Military Affairs Committee this bill was drafted by the War Department in order that legislation organizing an Air Reserve Training Corps would be strictly in line with the Department point of view. The bill authorizes and directs the Secretary of War to organize an Air Reserve Training Corps and to establish such rules and regulations for its operation as he may deem necessary and proper.

The War Department is of the opinion that this measure, if enacted, will encourage interest in aviation matters among the junior element of our population. The measure in no way prescribes compulsory military training.

Mr. McKELLAR. What is the expected cost of the proposal?

Mr. SHEPPARD. About \$62,000 per year.

The bill was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to organize the Air Reserve Training Corps, and to establish such rules and regulations as he shall deem fit and proper for carrying out the purposes and objects of this act.

Sec. 2. That all male citizens of the United States between the ages of 17 years and 24 years, of sound physical condition, good

character, and with a minimum education equivalent to at least a full high-school course, shall, after agreeing to serve in the Air Corps of the Army of the United States in the event of national emergency, be eligible to be listed as candidates of said Air Reserve Training Corps, and shall be entitled to receive such emblem or designation to wear upon the clothing as the Secretary of War may prescribe while receiving such course of technical instruction and flying training as shall be prescribed by the Secretary of War.

Sec. 3. That the Secretary of War is authorized to use all proper means and agencies for the encouragement of said corps, by detailing either Regular Army Air Corps officers or Air Corps Reserve officers called to extended active duty, to inspect the instruction and training of said candidates in such private flying schools, colleges, and universities, and centers of air instruction and training as may be selected by the Secretary of War for that purpose, under such regulations as he shall prescribe.

Sec. 4. That the Secretary of War is further authorized to encourage the development of said corps by permitting the use of such Army air fields from time to time as may not conflict with the work of the Air Corps of the Army of the United States and further by permitting the use in ground instruction only of airplanes, aircraft generally, and equipment, belonging to the Air Corps of the Army of the United States, if and when, in the judgment of the Secretary of War, such use is wise and proper in promoting the technical training of said corps.

Sec. 5. That upon the completion of such course of training as shall have been prescribed by the Secretary of War and upon the satisfactory passage of final examination and tests as may be prescribed for candidates of said Air Reserve Training Corps, the Secretary of War shall issue certificates of appointment as members in the Air Reserve Training Corps, and said members shall then be entitled to wear at pleasure such insignia and/or other designations and decorations upon the clothing as the Secretary of War shall prescribe. These members of the Air Reserve Training Corps shall be kept listed as to their addresses, business occupations, and other pertinent facts, so that the same may be available on shortest notice for service in the national defense in the event of a national emergency.

Sec. 6. That the Secretary of War is authorized to give preference for appointment as flying cadets (heavier-than-air) and for detail to the Regular Army Air Corps Training Center for flying instruction of the most promising and desirable members in the Air Reserve Training Corps: *Provided*, That they also meet the mental, moral, physical, and educational qualifications prescribed by the Secretary of War for the appointment of flying cadets of the Air Corps, Army of the United States. The limitations on the appointment of cadets under this act will be only such as the limitation of vacancies under existing laws shall dictate.

Sec. 7. Such laws or parts of laws as may be inconsistent with the foregoing are repealed.

APPLICATION OF STATE WORKMEN'S COMPENSATION LAWS

The bill (S. 4671) to amend the act approved February 1, 1928, concerning action on account of death or personal injury within places under exclusive jurisdiction of the United States, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act concerning actions on account of death or personal injury within places under exclusive jurisdiction of the United States", approved February 1, 1928 (45 Stat. 54; U. S. Code of Laws, title 16, sec. 457), is amended to read as follows:

"In the case of the death of any person by the neglect or wrongful act of another within a national park or other place subject to the exclusive jurisdiction of the United States, within the exterior boundaries of any State, such right of action shall exist as though the place were under the jurisdiction of the State within whose exterior boundaries such place may be; and in any action brought to recover on account of injuries sustained in any such place the rights of the parties shall be governed by the laws of the State within the exterior boundaries of which it may be: *Provided, however*, That in a State having a workmen's compensation act, such act shall apply with respect to an injury or death sustained in any such place as though the place were under the jurisdiction of the State, irrespective of whether such injury or death is due to the neglect or wrongful act of another."

STATE OF MASSACHUSETTS

The bill (S. 3700) for the relief of the State of Massachusetts was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the Governor of the State of Massachusetts, or his duly authorized agent, the sum of \$233,885.82, out of any money in the Treasury not otherwise appropriated, being the costs, charges, and expenses properly incurred by such State for interest and premium paid for coin in payment of such interest on bonds issued for money borrowed and expended at the request of the President of the United States during the Civil War in protecting the harbors and fortifying the coast. The accounting officers of the Treasury hav-

ing found that said expenditures were so incurred and paid by the State; and which the Court of Claims in its report to Congress under the act approved July 16, 1916, as set forth in House Document 369, Sixty-fifth Congress, first session, also found had been so incurred and paid.

SURVEY OF COLORADO RIVER, TEX.

The Senate proceeded to consider the bill (S. 4632) providing for a survey of the Colorado River, Tex., above the county line between Coke and Runnels Counties, which had been reported from the Committee on Military Affairs with an amendment, on page 1, line 4, to strike out the word "survey" and insert the words "preliminary examination", and on page 2, line 1, after the numerals "1917", to insert "the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors", so as to make the bill read:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause a preliminary examination to be made of the Colorado River, Tex., above the county line between Coke and Runnels Counties, with a view to the control of floods in accordance with the provisions of section 3 of the act entitled "An act to provide for the control of the floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes", approved March 1, 1917, the cost thereof to be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill providing for a preliminary examination of the Colorado River, Tex., above the county line between Coke and Runnels Counties."

COMPENSATION OF DIRECTOR OF FEDERAL BUREAU OF INVESTIGATION

The bill (H. R. 11616) to fix the compensation of the Director of the Federal Bureau of Investigation was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, effective on the first day of the first month next following the approval of this act, the compensation of the Director of the Federal Bureau of Investigation of the Department of Justice shall be \$10,000 per annum.

SALE OF SURPLUS WAR DEPARTMENT REAL PROPERTY

The Senate proceeded to consider the bill (S. 4565) to authorize the sale under the provisions of the act of March 12, 1926 (Public, No. 45), of surplus War Department real property, which had been reported from the Committee on Military Affairs with amendments.

The first amendment was in section 1 on page 2, to strike out lines 1 to 9, as follows: "Name of reservation: Fort Scammel, Maine; Fort Gorgas, Maine; Calf Island, including Little Calf Island, Mass.; Greater Brewster Island, Mass.; Port Newark Army Supply Base, N. J.; Norfolk Quartermaster Depot, Va.; Stewart Avenue Military Reservation, Atlanta, Ga.; Camp Furlong, N. Mex.; Fort Sill (portion consisting of 2,400 acres), Okla.; Fort Ward, Wash.; Boca Grande Military Reservation, Fla.", and to insert in lieu thereof the following: "Name of reservation with approximate amount of land involved in each instance: Fort Scammel, Maine, 12 acres; Fort Gorgas, Maine, 1.5 acres; Calf Island, including Little Calf Island, Mass., 18.05 acres; Greater Brewster Island, Mass., 21.7 acres; Norfolk Quartermaster Depot, Va., 180.18 acres; Stewart Avenue Military Reservation, Atlanta, Ga., 1.25 acres; Camp Furlong, N. Mex., 1,600 acres; Fort Sill (portion consisting of 2,400 acres), Okla.; Fort Ward, Wash., 320.33 acres; Boca Grande Military Reservation, Fla., 37 acres"; so as to make the section read:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to sell or cause to be sold, under the provisions of the act of March 12, 1926, the several tracts or parcels of real property hereinafter designated, or any portion thereof, upon determination by him that said tracts or parcels are no longer needed for military purposes, and to execute and deliver in the name of the United States and in its behalf any and all contracts, conveyances, or other instruments necessary to effectuate such sale and conveyance:

Name of reservation with approximate amount of land involved in each instance: Fort Scammel, Maine, 12 acres; Fort Gorgas,

Maine, 1.5 acres; Calf Island, including Little Calf Island, Mass., 18.05 acres; Greater Brewster Island, Mass., 21.7 acres; Norfolk Quartermaster Depot, Va., 180.18 acres; Stewart Avenue Military Reservation, Atlanta, Ga., 1.25 acres; Camp Furlong, N. Mex., 1,600 acres; Fort Sill (portion consisting of 2,400 acres), Okla.; Fort Ward, Wash., 320.33 acres; Boca Grande Military Reservation, Fla., 37 acres (portion excepted and reserved by act of Mar. 12, 1926): *Provided*, That no properties mentioned in this act shall be held for sale to any State, county, or municipality, pursuant to section 7 of the act of March 12, 1926, for a period longer than 6 months, unless the Secretary of War shall determine that an extension of time will cause no substantial loss to the United States: *Provided further*, That the net proceeds from the sale of the above properties shall be deposited in the Treasury to the credit of "Miscellaneous receipts."

The amendment was agreed to.

The next amendment was, in section 2, on page 3, line 18, after the words "miscellaneous receipts", to strike out "Laurel Hill Cemetery, Baltimore, Md. (67 lots); Confederate lot, Greenlawn Cemetery, Indianapolis, Ind.; tract designated no. 2 of the Confederate Cemetery, Point Lookout, Md.; Soldiers' lot, Camp Dennison, Ohio; tract of land on which is situated the lodge for the superintendent of the Cave Hill National Cemetery, Louisville, Ky.", and in lieu thereof to insert "Laurel Hill Cemetery, Baltimore, Md. (67 lots), area unknown; Confederate lot, Greenlawn Cemetery, Indianapolis, Ind., approximate acreage five-tenths acre; tract designated no. 2 of the Confederate Cemetery, Point Lookout, Md., approximate acreage 2.25 acres; Soldiers' lot, Camp Dennison, Ohio, approximate acreage six hundred and twenty-eight one-thousandths acre; tract of land on which is situated the lodge for the superintendent of the Cave Hill National Cemetery, Louisville, Ky., approximate acreage twenty-two one-hundredths acre", so as to make the section read:

SEC. 2. That the Secretary of War be, and he is hereby, authorized to sell or cause to be sold, in the manner and upon such terms as he shall deem expedient, the cemetery properties hereinafter designated and to execute and deliver in the name of the United States and in its behalf any and all contracts, conveyances, or other instruments necessary to effectuate such sale and conveyance, and that the expense of sale shall be paid from the proceeds thereof, and the net proceeds deposited in the Treasury to the credit of "Miscellaneous receipts": Laurel Hill Cemetery, Baltimore, Md. (67 lots), area unknown; Confederate lot, Greenlawn Cemetery, Indianapolis, Ind., approximate acreage five-tenths acre; tract designated "no. 2" of the Confederate Cemetery, Point Lookout, Md., approximate acreage 2.25 acres; Soldiers' lot, Camp Dennison, Ohio, approximate acreage six hundred and twenty-eight one-thousandths acre; tract of land on which is situated the lodge for the superintendent of the Cave Hill National Cemetery, Louisville, Ky., approximate acreage twenty-two one-hundredths acre.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CLAYTON COUNTY, IOWA, STATE PARK

The bill (S. 4346) granting to the State of Iowa for State park purposes certain land of the United States in Clayton County, Iowa, was announced as next in order.

Mr. MURPHY. Mr. President, House bill 11929 is an identical bill. I ask unanimous consent to substitute the House bill for the Senate bill and that the House bill be placed upon its passage.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (H. R. 11929) granting to the State of Iowa for State park purposes certain land of the United States in Clayton County, Iowa, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby granted to the State of Iowa, upon the conditions and limitations hereinafter expressed, the following-described land of the United States lying and being in the Upper Mississippi River Wild Life and Fish Refuge, in Clayton County, Iowa, aggregating 544.27 acres, more or less, to be held and administered by said State for the purposes of a State public park:

Lots 2, 3, and 4, section 35, township 95 north, range 3 west, fifth principal meridian (excepting, however, from said lot 2 a strip of land on the north side 8 chains wide at the east end and 12 chains wide at the west end, containing 28.72 acres, more or less; and also excepting from said lots 2, 3, and 4, a strip of land

containing 6.25 acres, more or less, being the right-of-way of the Chicago, Milwaukee, St. Paul & Pacific Ry.), the parcel hereby conveyed containing according to survey 127.73 acres, more or less.

Lot 21, block 11; lot 21, block 13; lots 7, 8, 12, 14, and 17, block 14; and lots 4, 5, 6, 7, 8, and 9, block 42; all situate in the James McGregor, Jr., addition to the town of McGregor, Iowa, containing according to survey 1.57 acres, more or less.

A parcel of land in sections 22 and 27, township 95 north, range 3 west, fifth principal meridian, described as follows:

Beginning at corner 1, the center of section 27, an established fence corner; thence south 89 degrees 23 minutes east, with quarter-section line, 18.93 chains to corner 2, a 2- by 2- by 15-inch oak stake beside fence corner of land formerly owned by Pearl Johnson; thence with boundary of land formerly owned by Pearl Johnson, north 44 degrees east 7.98 chains to corner 3, an elm post 5 inches in diameter, 4 feet above ground; thence south 54 degrees east exactly 5 chains to corner 4, an elm post 4 inches in diameter, 4 feet above ground; thence south 44 degrees west exactly 4 chains to corner 5, an elm stake 3 inches in diameter, 1 foot above ground; thence south 89 degrees 23 minutes east, with quarter-section line and leaving land formerly owned by Pearl Johnson, 14.60 chains to corner 6, the quarter-corner between sections 26 and 27, a 6- by 6- by 48-inch post above ground, scribed "US", and a 1½- by 15-inch iron pipe above ground, in a mound of stone, a 10-inch red oak bears north 35 degrees west thirty-eight one-hundredths, blazed and scribed "BT 5-2"; thence north, with the line between sections 26 and 27, 37.90 chains approximate, a 4- by 4- by 48-inch fir post in mound of stone on southwest side of road, exactly 40 chains to the line between sections 22 and 27, exactly 43 chains to corner 7, a point on west bank of the Mississippi River and in the east line of section 22; thence north 28 degrees 11 minutes west, with west bank of the Mississippi River, 5.30 chains to corner 8, in the south line of "C" Street of the town of McGregor; thence south 86 degrees 48 minutes west, with south line of "C" Street, 4.20 chains to corner 9, a 2- by 2- by 12-inch ash stake, above ground, at a point determined as the northeast corner of the unnumbered town lot owned by Eva Jordan; thence south 3 degrees 12 minutes east, with the east line of the Eva Jordan lot as determined by this survey, 1.51 chains to corner 10, a 2- by 2- by 12-inch ash stake; thence with four lines in rear of block 14, south 86 degrees 48 minutes west, 10.27 chains to corner 11, a point; thence south 77 degrees 21 minutes west, 4.19 chains to corner 12, a point; thence north 49 degrees 38 minutes west, forty-two one-hundredths chain to corner 13, the east corner of lot 19, block 14, a 4- by 4- by 36-inch fir post above ground in a mound of stone, scribed "US Corner 5-8"; thence south 40 degrees 22 minutes west, 6.19 chains to the line between sections 22 and 27, 6.33 chains to corner 14, the east corner of lot 1, block 13, a 7- by 7- by 36-inch butternut post above ground, scribed "US 5-9", in a mound of stone; thence south 49°38' east, 1.51 chains to corner 15, a 9-inch white-oak tree with a 5- by 5- by 24-inch ironwood post above ground, scribed "US 5-10", in a mound of stone, beside it, a 15-inch red oak bears north 50° east eighteen one-hundredths, blazed and scribed "BT 5-10"; thence south 40°22' W., 1.51 chains to corner 16, an 8- by 8- by 36-inch ironwood post above ground, scribed "US 5-11", in mound of stone; thence north 49°38' W., 1.51 chains to corner 17, a 1- by 4- by 36-inch oak stake above ground, at the east corner of lot 3, block 13; thence south 40°22' W. 18.75 chains to corner 18, the east corner of lot 5, block 11; thence south 49°38' E. 1.59 chains to corner 19, a 2- by 2- by 12-inch elm stake above ground, in mound of stone; thence south 0°24' E. 1.66 chains to corner 20, a 2- by 2- by 12-inch elm stake; thence south 20° E. 1.11 chains to corner 21, a 2- by 2- by 12-inch oak stake on the north line of Fayette Street; thence east, with the north line of Fayette Street, 2.83 chains to corner 22, at the intersection with the east line of State Street; thence south 0°24' E., with the east line of State Street, 9.09 chains to corner 23, at the intersection with the south line of Howard Street, a 4- by 4- by 36-inch fir post above ground, scribed "US Cor 5-18", besides a 24-inch red oak; thence west 6.36 chains to corner 24, in the quarter-section line between the northwest quarter and the northeast quarter of section 27, a 4- by 4- by 36-inch fir post above ground, scribed "US Cor 5-19", a 14-inch white oak bears south 20° E. sixty one-hundredths, blazed and scribed "BT-19"; thence south 0°24' E., with the quarter-section line between the northwest quarter and the northeast quarter of section 27, 4.53 chains to corner 25, a 4- by 4- by 36-inch fir post above ground, scribed "US Cor 5-20", an 8-inch hickory bears north 85° W. fifty one-hundredths, blazed and scribed "BT 5-20"; thence north 70°37' W. 4.36 chains to corner 26, a 2- by 2- by 12-inch elm stake above ground; thence south 19°23' W., with line in rear of block 42 seventy-six one-hundredths chain to the northeast corner of lot 1, block 42, 8.42 chains to corner 27, in the quarter-section line, a 6- by 6- by 48-inch post above ground, in mound of stone; thence south 89°23' E. 6.85 chains to the place of beginning (excepting therefrom a circular piece of ground, 2.27 chains in diameter, surrounding the McGregor City Water Reservoir, containing forty-one one-hundredths acre, more or less; and a strip of land containing 1.50 acres, more or less, being the right-of-way of the Chicago, Milwaukee, St. Paul & Pacific Ry.), the parcel hereby conveyed containing according to survey 152.35 acres, more or less.

Lots 6, 7, 8, 12, 13, 14, 15, 16, 17, and 18, block 30; lots 1, 2, 3, 4, 5, 6, 7, west half lot 9, all of lots 10, 11, 12, 13, 14, and 15, block 33; lots 1, 2, 3, 4, 5, 9, 10, 11, and 12, block 36, all situate in

the James McGregor, Jr., addition to the town of McGregor, containing according to survey 3.72 acres, more or less.

A certain parcel of land in the northwest quarter section 27, township 95 north, range 3 west, fifth principal meridian, described as follows:

Beginning at corner 1, the quarter-corner between sections 27 and 28, an established fence corner with a 1½- by 12-inch iron pipe above ground, beside it; thence south 89° 23' east, with the quarter-section line between the northwest quarter and the southwest quarter of section 27 11.16 chains to corner 2, an established fence corner; thence north 18° 14' east, and 13.31 chains to corner 3, an established fence corner with a 4- by 4- by 36-inch hickory post above ground, scribed "US 6-3", beside it, a 10-inch hickory bears north 25° W. forty-two one-hundredths blazed and scribed "BT 6-3"; thence south 70° 57' east 3.93 chains to corner 4, the northwest corner of lot 1, block 37, town of McGregor, thence north 19° 3' east, with rear line of block 36, 10.93 chains to corner 5, a 2- by 2- by 12-inch ash stake above ground, marked "US 6-5", in the south line of Elm Street; thence north 68° 55' west, with south line of Elm Street, 10.44 chains to corner 6, a 3- by 3- by 12-inch ash stake above ground, marked "US 6-6", at the northeast corner of lot 1, block 33; thence south 21° 5' west, with two lines in rear of block 33 1.55 chains to corner 7, a 4- by 4- by 36-inch fir post above ground, scribed "US Cor 6-7", an 8-inch hickory bears south 30° west seventy one-hundredths blazed and scribed "BT 6-7"; thence south 73° 25' west 12.80 chains to corner 8, a point in Spring Creek on the line between sections 27 and 28, a witness corner falls fifteen one-hundredths east on bank of creek, a 4- by 4- by 40-inch fir post above ground, scribed "US Cor 6-8", in a mound of stone, a 30-inch elm bears south eighteen one-hundredths; thence south 0° 2' east, with line between sections 27 and 28, 20.25 chains to the place of beginning, containing according to survey 38.55 acres, more or less.

Lots 13, 14, 15, and 16, block 18; lots 1, 2, 3, 4, 5, 6, 9, 10, 11, 12, 13, 14, and the east 20 feet of lot 15, block 26, all situate in the James McGregor, Junior, addition to the town of McGregor, Iowa, containing according to survey 1.84 acres, more or less.

A certain parcel of real estate in sections 22 and 27, township 95 north, range 3 west, fifth principal meridian, described as follows:

Beginning at corner 1, the point where the line between sections 21 and 22 intersects the south line of the Giard claim, an established fence corner; thence south 0° 2' east, with line between sections 21 and 22, 9.07 chains to corner 2, a point in fence line; thence south 69° 11' east, parallel to and 3.40 chains northeast of the northeast side of block 27, 10.13 chains to the line between sections 22 and 27, 18.07 chains to corner 3, the west side of Cemetery Road and northeast corner of the Chapin lands, a 4- by 4- by 36-inch fir post above ground, scribed "US Cor 1-3", besides an established fence corner; thence south 20° 49' west 3.41 chains to corner 4, the northeast corner of lot 17, block 26; thence south 69° 11' east, with the rear line of block 26, 12.12 chains to corner 5, a 1- by 12-inch iron pipe above ground at the rear corner to blocks 18 and 26; thence south 82° 22' east, with rear line of block 18, 2.85 chains to corner 6, a 1- by 12-inch pipe above ground and an 8- by 8- by 48-inch oak post above ground, scribed "US 1-6", in mound of stones; thence north 49° 47' west 1.47 chains to corner 7, a 5- by 5- by 24-inch basswood post above ground, scribed "US 1-7" in mound of stones; thence north 40° 13' east 3.03 chains to corner 8, 5- by 5- by 30-inch basswood post above ground, scribed "US 1-8", in mound of stones; thence south 49° 47' east 3.27 chains to corner 9, a 2- by 2- by 15-inch oak stake above ground, at the rear corner common to lots 4 and 5, block 18; thence north 40° 13' east with rear line of blocks 18 and 17, 12.51 chains to the line between sections 27 and 22, 14.46 chains to corner 10, a 2- by 2- by 15-inch oak stake above ground; thence north 49° 47' west 2.11 chains to corner 11, a 2- by 2- by 15-inch oak stake above ground; thence north 40° 13' east 1.14 chains to corner 12, a 2- by 2- by 12-inch oak stake above ground, on the line between lots 5 and 6, block 20; thence north 49° 47' west 1.96 chains to corner 13, the rear corner common to lots 5 and 6, block 20; thence south 40° 13' west with rear line of said lot 6, 1.25 chains to corner 14, an established fence corner on the northwest side of lot 6, block 20; thence north 59° 12' west 1.44 chains to corner 15, a stake; thence north 30° 48' east 1.51 chains to corner 16, in the rear line of block 21 at a point 1.70 chains westerly of the south corner of lot 1, block 21; thence north 59° 12' west with the rear line of block 21, 15.19 chains to corner 17, a 7- by 7- by 48-inch oak post above ground, scribed "US 1-17", on the south line of the Giard claim; thence south 87° 49' west, with the south line of the Giard claim, 25.86 chains to the place of beginning (excepting, however, therefrom, 12.19 acres, more or less, described as follows: Beginning at corner 1, a chiseled cross and mound of stones, on the extreme southwest point of the rock bluff northwest from what is known as Market Square in the town of McGregor, the intersection of Garnaville Avenue and Buell Avenue bears S. 10° 35' E., 5.88 chains distant; thence N. 24° 40' W. 7.94 chains to corner 2, an established fence corner; thence N. 44° 10' E. 6.17 chains to corner 3, a 4- by 4- by 36-inch fir post above ground, scribed "US 3-X", in a mound of stones; thence north exactly 64° E. 3.51 chains to corner 4, a 4- by 4- by 42-inch fir post above ground, scribed "US 4-X", in mound of stones, on rock point at brink of bluff; thence S. 53° 50' E. 10.47 chains to corner 5, a 3- by 3- by 36-

inch oak post above ground and a 2- by 12-inch iron pipe above ground, in mound of stones which is on brink of bluff over brick schoolhouse; thence south exactly 34° W. 2.34 chains to corner 6, a 4- by 4- by 42-inch fir post above ground, scribed "US 6-X", in mound of stones and beside a chiseled cross on a large boulder; thence south exactly 55° W. 4.70 chains to corner 7, a 3- by 3- by 18-inch oak stake above ground; thence S. 71° 55' W. 7.77 chains to the place of beginning) the parcel hereby conveyed containing, according to survey, 53.58 acres, more or less, subject to any existing rights or easements for roads over or across the above-described land.

Lots 4, 5, and 6, block 46, in the James McGregor, Jr., addition, to the town of McGregor, Iowa, containing, according to survey, .34 acre, more or less.

A certain parcel of land in the southeast 160 acres of the Giard Claim, and within what would be sec. 22, T. 95 N., R. 3 W., fifth principal meridian, described as follows:

Beginning at corner 1, the rear corner common to lots 9 and 10, block 3, town of McGregor, or 1.51 chains northwesterly from the south corner of the Goodie Garden Confectionery Building; thence N. 48° 53' W. 6.08 chains to corner 2, a 1- by 12-inch galvanized iron pipe above ground, in a mound of stone; thence N. 79° 5' W. 8.34 chains to corner 3, in the rear line of block 46 and .69 chain southeast of the north corner of said block 46; thence S. 38° 53' E., with the rear line of blocks 46 and 45, 6.26 chains to corner 4, the rear corner common to lots 8 and 9, block 45; thence S. 21° 43' E., with two rear lines of block 45, 3.17 chains to corner 5, a point; thence S. 49° 38' E. 2.62 chains to corner 6, the east corner of lot 1, block 45, a 4- by 4- by 36-inch hickory post above ground, scribed "US 3-5", a 10-inch oak bears north 45° E., .29 chain, blazed and scribed "BT 3-5", an 8-inch hickory bears N. 55° W., .30 chain, blazed and scribed "BT 3-6"; thence S. 40° 22' W., with the southeast line of block 45, 1.51 chains to corner 7, the south corner of lot 1, block 45; thence N. 88° 59' E., with the north line of "A" street, 2.34 chains to corner 8, in the rear line of block 3; thence N. 40° 22' E., with the rear line of block 3, 6.56 chains to the place of beginning, containing, according to survey, 6.11 acres, more or less.

A certain parcel of land, situated in lot 9 of the southeast 160 acres of the Giard claim and within what would be sec. 22, T. 95 N., R. 3 W., fifth principal meridian, described as follows:

Beginning at corner 1, a point in the north line of said lot 9 and 11.35 chains east of the northwest corner thereof, being the north corner common to the Munn lands and the Lorang property, a 5- by 5- by 48-inch white oak post above ground, in a mound of stone, a 20-inch white oak bears S. 67° E., sixty one-hundredths chain, blazed and scribed "BT 2-1", a 10-inch hickory bears S. 6° E., eighty-nine one-hundredths chain, blazed and scribed "BT-21"; thence N. 89° 59' E., with the north line of said lot 9, 20.87 chains to corner 2, a 10- by 10- by 32-inch oak post above ground, scribed "US 2-2", and a 1½- by 15-inch pipe above ground, in a mound of stone, at the northeast corner of said lot 9, a 16-inch white oak bears S. 20° W., thirty-six one-hundredths chain, blazed and scribed "BT 2-2"; thence S. 8° 35' E., with line between lot 9 and lot 8 of southeast 160 acres of Giard Claim, 6.89 chains to corner 3, the northwest corner of lot 7, a 1- by 12-inch iron pipe above ground, between trees with old blazes, a 10-inch twin black oak bears S. 38° W., eight one-hundredths chain, scribed "BT 2-3", an 18-inch black oak bears N. 10° W., thirty-four one-hundredths chain, scribed "BT 2-3"; thence S. 58° 14' W. with line between Munn lands and property of the Northeastern Iowa Outers Association, 20.04 chains to corner 4, a 6- by 6- by 42-inch basswood post above ground, in a mound of stones, in the line between lots 9 and 10, a 12-inch butternut bears S. 28° E., thirty-five one-hundredths chain, blazed and scribed "BT 2-4", a 20-inch sycamore bears N. 68° E., forty-one one-hundredths chain, blazed and scribed "BT 2-4"; thence N. 29° 51' W., with two lines common to lots 9 and 10, 9.11 chains to corner 5, a point in said line; thence N. 69° 15' W., thirty-five one-hundredths chain to corner 6, a 5- by 36-inch ash post above ground, in mound of stone, the south corner common to the Munn lands and the Lorang property; thence north, with the line between Lorang and leaving the line between lots 9 and 10, 3.46 chains to a 4- by 4- by 42-inch fir post above ground, scribed "US 3.46" with arrow pointing south, being on the north side of the Heights Road, 9.33 chains to the place of beginning, containing 26.62 acres, more or less, subject to any existing rights or easements for roads over or across the land above described.

Lots 4, 5, 6, 7, 8, and 9, block 48, in James McGregor, Jr., addition to the town of McGregor, Iowa (excepting therefrom a strip of land being the right-of-way of the Chicago, Milwaukee, St. Paul & Pacific Ry.), the parcel hereby conveyed containing, according to survey, sixty-nine one-hundredths acres, more or less.

Lot 7, excepting a strip 1 chain in width along the west side, in the southeast 160 acres of the Giard claim and within what would be section 22, township 95 north, range 3 west, fifth principal meridian, described as follows:

Beginning at corner 1, a 2- by 12-inch iron pipe above ground, in a mound of stone, and on the north line of said lot 7, 1 chain easterly from the northwest corner thereof; thence south 9° 17' E., parallel with and 1 chain east of the west line of lot 7, 6.19 chains to corner 2, a point on brink of cliff in the south line of lot 7; thence north 82° 30' E., with line between lot 7 and lot 6, 3.08 chains to a 4- by 4- by 36-inch fir post above ground,

scribed "US 4-3", in mound of stone, on west side of McGregor-Marquette Road, 4.44 chains to corner 3, the corner common to lots 6 and 7 and block 48 of the James McGregor, Jr., addition to the town of McGregor; thence north 8°15' west, with the line between lot 7 and block 48, 5.72 chains to corner 4, the corner common to lots 7 and 8 and block 48 of the town of McGregor; thence south 88°30' W., with the line between lots 7 and 8, 1.84 chains to a 4- by 4- by 36-inch fir post above ground, scribed "US 4-4", in mound of stone, on west side of McGregor-Marquette Road, 4.58 chains to the place of beginning, containing, according to survey, 2.68 acres, more or less, subject to existing easements for roads and railroads.

A strip of land $4\frac{1}{2}$ chains wide along the north side of lot 1, section 11, township 94 north, range 3 west, fifth principal meridian (excepting therefrom a strip of land containing sixty-five one-hundredths acres, being the right-of-way of the Chicago, Milwaukee, St. Paul & Pacific Ry.), the parcel thereby conveyed containing, according to survey, 10.89 acres, more or less.

Lot 4, section 11, township 94 north, range 3 west, fifth principal meridian (excepting therefrom a strip of land containing 3.09 acres being the right-of-way of the Chicago, Milwaukee, St. Paul & Pacific Ry.), the parcel hereby conveyed containing according to survey 42.36 acres, more or less.

Lot 1 and the north half of lot 2, section 23, township 94 north, range 3 west, fifth principal meridian (excepting therefrom a strip of land containing 7.56 acres, being the right-of-way of the Chicago, Milwaukee, St. Paul & Pacific Ry.), the parcel hereby conveyed containing, according to survey, 75.24 acres, more or less.

The State shall improve and maintain the said land for such purpose, and not otherwise, and shall provide adequate conveniences for the public. No fee or other charge shall ever be imposed or exacted for admission of the public to the park or for use and enjoyment of the park by the public under such reasonable regulations as may be prescribed by the State or its authorized officials. The State shall sedulously safeguard the wildlife in the park from molestation and destruction, and shall do everything reasonably necessary to safeguard the park from injury by fire, or otherwise, and shall preserve the timber and other natural growth in the park from depredation and destruction. In the event the State shall fail to maintain the aforesaid granted land as a State park under the conditions and limitations herein prescribed, or upon abandonment of the park by the State, said land and all improvements thereon shall revert to the United States.

The PRESIDING OFFICER. Without objection, the bill (S. 4346) granting to the State of Iowa for State park purposes, certain land of the United States in Clayton County, Iowa, will be indefinitely postponed.

LANDS FOR CALIFORNIA STATE PARK SYSTEM

The bill (H. R. 1997) to amend Public Law No. 425, Seventy-second Congress, providing for the selection of certain lands in the State of California for the use of the California State park system, approved March 3, 1933, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act to provide for the selection of certain lands in the State of California for the use of the California State park system", approved March 3, 1933, is hereby amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: "Provided further, That in order to consolidate park areas and/or to eliminate private holdings therefrom, lands patented hereunder may be exchanged, subject to the mineral reservation in the United States as hereinbefore provided, with the approval of, and under rules prescribed by, the Secretary of the Interior for privately owned lands in the area hereinbefore described of approximately equal value containing the natural features sought to be preserved hereby, and the lands so acquired shall be subject to all the conditions and reservations prescribed by this act, including the reversionary clause hereinbefore set out."

TITLE TO LOTS IN PENSACOLA, FLA.

The bill (H. R. 2737) extending and continuing to January 12, 1938, the provisions of the act entitled "An act authorizing the Secretary of the Interior to determine and confirm by patent in the nature of a deed of quitclaim the title to lots in the city of Pensacola, Fla.", approved January 12, 1925, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the provisions of the act entitled "An act authorizing the Secretary of the Interior to determine and confirm by patent in the nature of a deed of quitclaim the title to lots in the city of Pensacola, Fla.", approved January 12, 1925, are hereby extended and continued to January 12, 1938: *Provided,* That there be paid to the Commissioner of the General Land Office a fee of \$5 for each lot described in an application for a deed of quitclaim under such act, which fee shall be considered earned, irrespective of the action taken on the application.

COLONIAL NATIONAL MONUMENT, VIRGINIA

The bill (H. R. 5722) to provide for the addition or additions of certain lands to the Colonial National Monument in the State of Virginia was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized, in his discretion, to acquire by purchase and/or accept by donation, in behalf of the United States, such lands, easements, and buildings comprising the former Governor Berkeley's mansion and homestead in James City County and Carter's Grove mansion and homestead in the same county, and the Rosewell mansion and homestead in Gloucester County as are desirable for the proper rounding out of the boundaries and for the administrative control of the Colonial National Monument, and such lands as are necessary for parkways, not to exceed 500 feet wide, to connect said mansions to the said Colonial National Monument, the title and evidence of title to lands acquired to be satisfactory to the Secretary of the Interior: *Provided,* That the said acquisition of lands and/or improvements shall be made only from such funds as may be appropriated pursuant to the authorization of the act of March 3, 1931 (46 Stat. 1490).

Sec. 2. That the area now within the Colonial National Monument, together with such additions as may hereafter be made thereto, pursuant to section 1 hereof, shall be known as the "Colonial National Historical Park", under which name the aforesaid national park shall be entitled to receive and to use all moneys heretofore or hereafter appropriated for the Colonial National Monument.

Sec. 3. All acts or parts of acts inconsistent with the provisions of this act are hereby repealed to the extent of such inconsistency.

RESTORATION OF FORT M'HENRY, MD.

The bill (H. R. 8074) to amend the act of March 3, 1925, relating to Fort McHenry, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act of Congress entitled "An act to repeal and reenact chapter 100 (1914, Public, No. 108), to provide for the restoration of Fort McHenry, in the State of Maryland, and its permanent preservation as a national park and perpetual national memorial shrine as the birthplace of the immortal 'Star Spangled Banner', written by Francis Scott Key, for the appropriation of the necessary funds, and for other purposes", approved March 3, 1925 (43 Stat. 1109), be, and the same is hereby, amended by striking out from the third paragraph the words, "650 feet" and inserting in lieu thereof the following words: "680 feet."

ROGUE RIVER NATIONAL FOREST, OREG.

The bill (H. R. 8312) to add certain lands to the Rogue River National Forest in the State of Oregon was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purpose of forest management and municipal watershed protection, the following-described lands are hereby added to and made a part of the Rogue River National Forest in the State of Oregon and shall hereafter be administered subject to all the laws and regulations governing the national forests: Sections 31 to 35, inclusive, township 39 south, range 1 west; sections 2 to 11, inclusive, and sections 14 to 36, inclusive, township 40 south, range 1 west; section 1, and sections 11 to 36, inclusive, township 40 south, range 2 west, all Willamette base and meridian: *Provided,* That this action shall, as to all lands which are at this date legally appropriated under the public-land laws or reserved for any purpose, be subject to and shall not interfere with or defeat legal rights under such appropriation, nor prevent the use for such public purposes of lands so reserved so long as such appropriation is legally maintained or such reservation remains in force.

Sec. 2. That when the Secretary of Agriculture finds that merchantable timber may be cut without detriment to the purity or depletion of the water supply from such of the above-described lands title to which has been revested in the United States under the act of Congress approved June 9, 1916 (39 Stat. 218), said Secretary is hereby authorized to dispose of such merchantable timber on such lands in accordance with the rules and regulations of the Secretary of Agriculture for the national forests and the entire proceeds of any such sale shall be deposited in the Treasury of the United States in a special fund designated "The Oregon and California Land Grant Fund", referred to in section 10 of the said act of June 9, 1916, and be disposed of in the manner therein designated.

PRELIMINARY EXAMINATION OF BIG BLUE RIVER

The bill (H. R. 12370) to authorize a preliminary examination of Big Blue River and its tributaries with a view to the control of their floods, was considered, ordered to a third reading, read the third time, and passed.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 267) authorizing the President to invite foreign countries to participate in the New York World's Fair, 1939, Inc., in the city of New York during the year 1939 was announced as next in order.

Mr. JOHNSON. Mr. President, let the joint resolution go over temporarily.

The PRESIDING OFFICER. The joint resolution will be passed over.

PUNISHMENT FOR TRANSMITTING THREATENING COMMUNICATIONS

The bill (S. 4656) to amend the statutes providing punishment for transmitting threatening communications, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That sections 1 and 2 of the act of July 8, 1932 (47 Stat. 649), as amended (U. S. C., title 18, secs. 338a and 338b), be, and the same are hereby, further amended to read as follows:

"Sec. 1. (a) Whoever shall knowingly deposit or cause to be deposited in any post office or station thereof or in any authorized depository for mail matter, to be sent or delivered by the post-office establishment of the United States, or shall knowingly cause to be delivered by the post-office establishment of the United States according to the direction thereon, any written or printed letter or other communication with or without a name or designating mark subscribed thereto, addressed to any other person, and containing any demand or request for ransom or reward for the release of any kidnaped person; or whoever, with intent to extort from any person any money or other thing of value, shall deposit, cause to be deposited, or cause to be delivered, as aforesaid, any letter or other communication containing any threat to kidnap any person or any threat to injure the person of the addressee or of another, shall be fined not more than \$5,000 or imprisoned not more than 20 years, or both.

"(b) Whoever shall knowingly deposit or cause to be deposited in any post office or station thereof or in any authorized depository for mail matter, to be sent or delivered by the post-office establishment of the United States, or shall knowingly cause to be delivered by the post-office establishment of the United States according to the direction thereon, any written or printed letter or other communication with or without a name or designating mark subscribed thereto, addressed to any other person and containing any threat to kidnap any person or any threat to injure the person of the addressee or of another, shall be fined not more than \$1,000 or imprisoned not more than 5 years, or both.

"(c) Whoever, with intent to extort from any person any money or other thing of value, shall knowingly deposit or cause to be deposited in any post office or station thereof or in any authorized depository for mail matter, to be sent or delivered by the post-office establishment of the United States, or shall knowingly cause to be delivered by the post-office establishment of the United States according to the direction thereon, any written or printed letter or other communication with or without a name or designating mark subscribed thereto, addressed to any other person, and containing any threat to injure the property or reputation of the addressee or of another, or the reputation of a deceased person, or any threat to accuse the addressee or any other person of a crime, shall be fined not more than \$500 or imprisoned not more than 2 years, or both.

"(d) Any person violating this section may be prosecuted in the judicial district in which such letter or other communication is deposited in such post office, station, or authorized depository for mail matter, or in the judicial district into which such letter or other communication was carried by the United States mail for delivery, according to the direction thereon.

"Sec. 2. (a) Whoever shall knowingly deposit or cause to be deposited in any post office or station thereof, or in any authorized depository for mail matter of any foreign country, any written or printed letter or other communication, addressed to any person within the United States, for the purpose of having such communication delivered by the post-office establishment of such foreign country to the post-office establishment of the United States and by it delivered to such addressee in the United States, and as a result thereof such communication is delivered by the post-office establishment of such foreign country to the post-office establishment of the United States and by it delivered to the address to which it is directed in the United States, and containing any demand or request for ransom or reward for the release of any kidnaped person; or whoever, with intent to extort from any person any money or other thing of value, shall deposit or cause to be deposited, as aforesaid, any letter or other communication for the purpose aforesaid, containing any threat to kidnap any person or any threat to injure the person of the addressee or of another, shall be fined not more than \$5,000 or imprisoned not more than 20 years, or both.

"(b) Whoever shall knowingly deposit or cause to be deposited in any post office or station thereof, or in any authorized depository for mail matter of any foreign country, any written or printed letter or other communication, addressed to any person within the United States, for the purpose of having such com-

munication delivered by the post-office establishment of such foreign country to the post-office establishment of the United States and by it delivered to such addressee in the United States, and as a result thereof such communication is delivered by the post-office establishment of such foreign country to the post-office establishment of the United States and by it delivered to the address to which it is directed in the United States, and containing any threat to kidnap any person or any threat to injure the person of the addressee or of another, shall be fined not more than \$1,000 or imprisoned not more than 5 years, or both.

"(c) Whoever, with intent to extort from any person any money or other thing of value, shall knowingly deposit or cause to be deposited in any post office or station thereof, or in any authorized depository for mail matter of any foreign country any written or printed letter or other communication, addressed to any person within the United States, for the purpose of having such communication delivered by the post-office establishment of such foreign country to the post-office establishment of the United States and by it delivered to such addressee in the United States, and as a result thereof such communication is delivered by the post-office establishment of such foreign country to the post-office establishment of the United States and by it delivered to the address to which it is directed in the United States, and containing any threat to injure the property or reputation of the addressee or of another, or the reputation of a deceased person, or any threat to accuse the addressee or any other person of a crime, shall be fined not more than \$500 or imprisoned not more than 2 years, or both.

"(d) Any person violating this section may be prosecuted either in the district into which such letter or other communication was carried by the United States mail for delivery according to the direction thereon, or in which it was caused to be delivered by the United States mail to the person to whom it was addressed."

Sec. 2. That the act of May 18, 1934 (48 Stat. 781; U. S. C., title 18, sec. 408d), be, and the same is hereby, amended to read as follows:

"(a) Whoever shall transmit in interstate commerce, by any means whatsoever, any communication containing any demand or request for a ransom or reward for the release of any kidnaped person; or whoever, with intent to extort from any person, firm, association, or corporation any money or other thing of value, shall transmit, as aforesaid, any communication containing any threat to kidnap any person or any threat to injure the person of another, shall be fined not more than \$5,000 or imprisoned not more than 20 years, or both.

"(b) Whoever shall transmit in interstate commerce, by any means whatsoever, any communication containing any threat to kidnap any person or any threat to injure the person of another, shall be fined not more than \$1,000 or imprisoned not more than 5 years, or both.

"(c) Whoever, with intent to extort from any person, firm, association, or corporation any money or other thing of value, shall transmit in interstate commerce, by any means whatsoever, any communication containing any threat to injure the property or reputation of the addressee or of another or the reputation of a deceased person, or any threat to accuse the addressee or any other person of a crime, shall be fined not more than \$500 or imprisoned not more than 2 years, or both.

"(d) Any person violating the provisions of this section may be prosecuted in the judicial district from or into which such threat is transmitted, as aforesaid. The term 'interstate commerce', as used in this section, shall include communication from one State, Territory, or the District of Columbia to another State, Territory, or the District of Columbia."

INVESTIGATION OF AGRICULTURAL INCOME

The joint resolution (S. J. Res. 268) to amend the joint resolution entitled "Joint resolution authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic conditions of agricultural producers generally", approved August 27, 1935, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That section 1 of the joint resolution entitled "Joint resolution authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally", approved August 27, 1935 (Public Res. No. 61, 74th Cong.), be, and the same is hereby, amended so as to read as follows:

"That the Federal Trade Commission is hereby authorized and directed to investigate and report, at the next session of Congress—

"First. (1) The extent of the decline in agricultural income in recent years, including the amount and percentage of such decline;

"(2) The extent of the increases or decreases in recent years in the income of the principal persons or corporations engaged in the sale, manufacturing, warehousing, and/or processing or other dealing in or handling of the principal farm products, and of table and juice grapes, fresh fruits, and vegetables, and of the other principal sellers, manufacturers, middlemen, warehousemen, and/or processors of the principal farm products, and of table and juice grapes, fresh fruits, and vegetables, as compared with the decline in agricultural income, including the amount and percentage of such changes; and

"(3) The proportion of total consumer cost of representative products manufactured or processed from the principal farm products, and of table and juice grapes, fresh fruits, and vegetables, which is represented by the proceeds received by (a) the farmer; (b) the manufacturers, processors, warehousemen, and middlemen; and (c) the distributors of such principal farm products, and of table and juice grapes, fresh fruits, and vegetables, and such representative products manufactured therefrom.

"Second. The financial position of the principal persons or corporations engaged in the manufacturing, processing, warehousing, intermediate handling, distribution, and marketing of the representative major products manufactured from such farm products, including—

"(1) The capitalization and assets of such persons or corporations and the means and sources of the growth of such capitalization and assets;

"(2) The investment, costs, profits, and rates of return of such persons or corporations;

"(3) The salaries of the officers of such companies or the income of such persons; and

"(4) The extent to which said persons or corporations avoid income taxes, if at all, and the extent to which officers receiving such salaries or persons receiving such income paid income taxes thereon.

"Third. The extent of concentration of control and of monopoly in the manufacturing, processing, warehousing, intermediate handling, distribution, and marketing of representative major farm products, and of table and juice grapes, fresh fruits, and vegetables, which is maintained or has been obtained by any person or corporation or other organization, including—

"(1) Methods and devices used by such persons or corporations for obtaining and maintaining their control or monopoly of the manufacturing, marketing, processing, warehousing, intermediate handling, and distribution of such commodities, and the proportion of any such major farm commodity, and of table and juice grapes, fresh fruits, and vegetables, handled by each of the large units involved; and

"(2) The extent to which fraudulent, dishonest, unfair, intimidating, and injurious methods are employed in the grading, warehousing, intermediate handling, transportation, and marketing of such farm products, and of table and juice grapes, fresh fruits, and vegetables, including combinations, monopolies, price fixing, and manipulation of prices on commodity exchanges, and by racketeering and so-called auction markets.

"Fourth. The extent to which the cooperative agencies have entered into the processing, warehousing, and marketing of representative major farm products and of table and juice grapes, fresh fruits, and vegetables, and the general effects of such cooperative agencies upon the producer and consumer.

"Fifth. The extent to which the intervention between producer and consumer of intermediaries, including warehousemen, brokers, speculators, jobbers, and other middlemen has increased, if at all, the cost of distribution of representative major farm products, and of table and juice grapes, fresh fruits, and vegetables, and the effect which the activities of such intermediaries has upon the producer and the consumer."

Sec. 2. That section 5 of the said joint resolution be, and the same is hereby, amended by striking out the figures "150,000" and inserting the figures "300,000."

Sec. 3. That section 6 of the said joint resolution be, and the same is hereby, amended by striking out all thereof and by substituting in lieu of the said section the following:

"Sec. 6. The Federal Trade Commission is directed to present a final report to the Congress in respect to such principal farm products and such representative products manufactured therefrom, together with recommendations for legislation not later than October 1, 1936, and a further report to the Congress in respect to table and juice grapes, fresh fruits, and vegetables, together with recommendations for legislation on or before January 31, 1937, and a final report in respect to the said last-mentioned products, together with any further recommendations, not later than May 31, 1937.

"It is hereby further provided that any unexpended balance of the appropriation of \$150,000 made in the Independent Offices Appropriation Act for the fiscal year 1936 in accordance with the authority contained in Public Resolution No. 61, Seventy-fourth Congress, first session, is hereby made available for like purpose to and including October 1, 1936."

CHICAGO, MILWAUKEE & ST. PAUL RAILWAY CO.'S LEASE

The bill (S. 4567) to authorize the Secretary of Agriculture to extend and renew for the term of 10 years a lease to the Chicago, Milwaukee & St. Paul Railway Co. of a tract of land in the United States Department of Agriculture Range Livestock Experiment Station, in the State of Montana, and for a right-of-way to said tract, for the removal of gravel and ballast material, executed under the authority of the act of Congress approved June 9, 1926, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of Agriculture be, and he is hereby, authorized, in his discretion, to extend and renew

for a term of 10 years that certain lease to the Chicago, Milwaukee & St. Paul Railway Co., bearing date the 26th day of June 1926, of a tract of land in the United States Department of Agriculture Range Livestock Experiment Station, in the State of Montana, containing an approximate area of 241.67 acres, and also a strip of land for a right-of-way to said tract, executed by the Secretary of Agriculture under the authority of the Act of Congress approved June 9, 1926, upon the terms and conditions contained in said lease, or such other terms and conditions as the Secretary of Agriculture may deem proper; said renewal and extension to inure to the benefit of Chicago, Milwaukee, St. Paul & Pacific Railroad Co. (successor of said railway company), its trustees in bankruptcy, and of the corporation succeeding to the ownership of its railroad and property.

TAX ADJUSTMENTS ON STOCKS ON HAND

The bill (H. R. 11821) to correct an error in section 16 (e) (1) of the Agricultural Adjustment Act, as amended, with respect to adjustments in taxes on stocks on hand, in the case of a reduction in processing tax, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That paragraph (1) of subsection (e) of section 16 of the Agricultural Adjustment Act, as amended, is amended by striking out "subsequent to June 26, 1934" and inserting in lieu thereof "on or after June 1, 1934."

REDUCTION OF INTEREST ON LOANS BY FEDERAL LAND BANKS

The bill (H. R. 10101) to amend the Federal Farm Loan Act and the Farm Credit Act of 1935, and for other purposes, was announced as next in order.

Mr. McKELLAR. Mr. President, let that bill go over for the present.

The PRESIDING OFFICER. The bill will be passed over temporarily.

Mr. WHEELER subsequently said: Mr. President, I ask to recur to Order of Business 2204, being the bill (H. R. 10101) to amend the Federal Farm Loan Act and the Farm Credit Act of 1935, and for other purposes.

Mr. McKELLAR. Mr. President, what is the purpose of the bill?

Mr. WHEELER. It is to reduce the rate of interest from 4 to 3½ percent.

Mr. ROBINSON. Mr. President, it is to continue the rate of interest now being enforced, is it not?

Mr. WHEELER. That is correct.

Mr. ROBINSON. It has been recommended by the Banking and Currency Committee and has passed the House?

Mr. WHEELER. Yes.

Mr. WAGNER. It passed the House and was reported from the Committee on Banking and Currency with an amendment.

Mr. WHEELER. I ask for the present consideration of the bill.

The PRESIDING OFFICER. Is there objection?

The Senate proceeded to consider the bill (H. R. 10101) to amend the Federal Farm Loan Act and the Farm Credit Act of 1935, and for other purposes, which had been reported from the Committee on Banking and Currency with an amendment, on page 2, line 1, after the words "period of", to strike out the word "three" and insert the word "two", so as to make the bill read:

Be it enacted, etc., That effective July 1, 1935, the first sentence of paragraph "Twelfth" of section 12 of the Federal Farm Loan Act, as amended and as further amended by section 3 (a) of the Farm Credit Act of 1935, is further amended by striking out the following: "occurring within a period of 1 year commencing July 1, 1935, and shall not exceed 4 percent per annum for all interest payable on installment dates occurring within a period of 2 years commencing July 1, 1936", and inserting in lieu thereof the following: "occurring within a period of two years commencing July 1, 1935."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 266) for the appointment of boards to study and report upon the Atlantic-Gulf Ship Canal project, Florida, and the Passamaquoddy tidal power

project, Maine, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Let the joint resolution go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

REGULATIONS FOR LIGHTER SERVICE

The Senate proceeded to consider the bill (H. R. 8525) prescribing regulations for carrying on the business of lighter service from any of the ports of the United States to stationary ships or barges located offshore and for the purpose of promoting the safety of navigation, which was read, as follows:

Be it enacted, etc., That it shall be unlawful for any person, firm, or corporation to operate any ship, boat, barge, or other means of transportation on which passengers are carried, or transported, from any port, landing, or wharf in the United States to any ship, barge, boat, or vessel anchored, or standing 3 or more miles offshore (pilot boats and vessels engaged exclusively in the fisheries excepted), without first obtaining from the Secretary of Commerce of the United States a permit to operate such vessel, such permit to be in such form and of such duration as the Secretary of Commerce of the United States may prescribe. A copy of this permit shall be kept on board each vessel and shall be exhibited on demand by qualified boarding officers, the original of such permit to be recorded in the customhouse of the port out of which such vessels operate.

SEC. 2. Before any such permit is issued for the operation of any such vessel the owner of same, or his authorized agent, shall make application therefor to the Secretary of Commerce of the United States, in which application the name or names and address or addresses of the owner or owners of such craft shall be set forth; also the port or place from which such vessel, or vessels, are to be operated; also the maximum number of persons such vessel will carry.

SEC. 3. If upon full investigation the Secretary of Commerce finds that the operation of such vessel is, or may become, a menace to navigation, or endangers human life, or is to be operated for the purpose of transporting passengers to or from any stationary or anchored vessels, barge, or other craft of similar character engaged in any business or occupation prohibited by law at the place of landing by said vessel covered by this act, the Secretary of Commerce shall deny such application and no permit for the operation of such vessel shall be issued.

SEC. 4. The Secretary of Commerce is hereby authorized to prescribe such regulations as may be necessary to carry out the purposes of this act, and such regulations shall have the force of law.

SEC. 5. For any violation of any of the provisions of this act or of the regulations issued thereunder, the owner of the vessel shall be subject to a penalty of \$500 and the master or operator of such vessel to a penalty of \$300; and such penalties shall constitute a lien on such vessel which may be proceeded against summarily by way of libel in any district court of the United States having jurisdiction thereof.

SEC. 6. The Secretary of Commerce is hereby authorized to mitigate or remit any penalty incurred for violation of this act on such terms as he may deem proper.

SEC. 7. This act shall take effect upon its enactment, except that sections 1, 5, and 6 shall take effect 60 days from the date of enactment of this act.

Mr. WALSH. Mr. President, I offer the amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed to add at the end of the bill a new section, as follows:

SEC. 8. The provisions of this act shall not apply to vessels engaged in fishing or the fisheries industries or to vessels engaged in transporting crews or supplies to or from vessels engaged in fishing or in the fisheries industries. The term "fishery industries" shall include salting, canning, smoking, filleting, freezing, rendering, and all other enterprises connected with the fisheries.

Mr. JOHNSON. Mr. President, I find myself unable to accept the amendment, much as I should like to do so.

May I impress it upon the Senate, if I can, that the bill is sponsored by the authorities of Long Beach, Calif., the United States district attorney of Southern California, and all those who are engaged in the administration of the law. The design of it is, wholly in the State of California, for Long Beach and particularly adjacent territory, to prevent the gambling ships which ply their nefarious activities just outside of the 3-mile limit. The United States district attorney advises me that he has had three murder cases recently because of the activities upon these ships. They are

not gambling ships alone but worse, and this is the only way in which the evil may be reached.

We especially except in the bill ships engaged in the fishing business, but we make the bill applicable under the direction of the Secretary of Commerce to those lighters which are carrying individuals beyond the 3-mile limit to indulge in practices which are unlawful. Permits may be granted in the discretion of the Secretary of Commerce for any ships that may be engaged otherwise if they be deemed appropriate. It is a mere question of the right to stop the practices which have been indulged in in the past. I hope it will not be necessary to have the bill loaded with an amendment, for fear it would have to go over the session without enactment at all.

Mr. ROBINSON. Mr. President, what does the amendment provide?

Mr. JOHNSON. It provides, in part, that—

The provisions of this act shall not apply to vessels engaged in fishing or the fisheries industry or to vessels engaged in transporting crews or supplies to or from vessels engaged in fishing or in the fisheries industry.

It would simply put a loophole in the bill that would blow it to pieces, because the gambling ships would insist in each defense of each crime that they had committed, that they were engaged in fishing, and they would have their lines over the rails indicating that they were doing something of that sort.

Mr. ROBINSON. The Senator wishes the amendment rejected?

Mr. JOHNSON. I do.

Mr. WALSH. Mr. President, I ask that the bill be passed over.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

BAYOU ST. JOHN, LA.

The bill (S. 4676) declaring Bayou St. John in the city of New Orleans, La., a nonnavigable stream was announced as next in order.

Mr. OVERTON. Mr. President, an identical bill was passed by the House. I move that the bill (H. R. 11792) be substituted for the Senate bill and placed upon its passage.

Mr. ROBINSON. Is the House bill on the calendar?

Mr. OVERTON. I understand it is.

Mr. ROBINSON. Let it be passed over for the moment.

The PRESIDING OFFICER. The bill will be passed over temporarily.

Mr. OVERTON subsequently said: Mr. President, I ask unanimous consent to recur to Senate bill 4676, the bill we had under discussion a moment ago.

The PRESIDING OFFICER. Without objection, the Senate will recur to the bill.

Mr. OVERTON. I understand that the House bill to which I referred is still before the Senate Committee on Commerce, and I presume I should move that the Committee on Commerce be discharged from the further consideration of the bill, in order that I may again move that the House bill be substituted for the Senate bill.

The PRESIDING OFFICER. Without objection, the Committee on Commerce will be discharged from the further consideration of House bill 11792; and, without objection, it will be substituted for the identical Senate measure, Senate bill 4676, Calendar No. 2208.

The Senate proceeded to consider the bill (H. R. 11792) declaring Bayou St. John, in the city of New Orleans, La., a nonnavigable stream, which was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 4676 will be indefinitely postponed.

MAJ. GEN. CLARENCE R. EDWARDS

The joint resolution (H. J. Res. 570) authorizing the President of the United States to award posthumously a Distinguished Service Medal to Maj. Gen. Clarence Ransom Edwards was considered, ordered to a third reading, read the third time, and passed.

WILLIAM H. MORAN

The bill (S. 4659) to authorize the payment of an annuity to William H. Moran, Chief of the Secret Service Division of the Treasury Department, upon his retirement, in recognition and appreciation of his services to the United States was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in recognition and appreciation of 53 consecutive years of faithful, courageous, and meritorious service in the Secret Service Division of the Treasury Department, the last 18 years of which were served in the capacity of Chief of such Division, the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to William H. Moran, out of the annual appropriation "Salaries, Secret Service Division", beginning upon his retirement and continuing throughout his natural life, in semimonthly installments on the 15th and last days of each month, such sum as may be necessary, when added to the annuity which he will receive under the laws relating to the retirement of Government employees, to secure to him a total annuity of \$4,000.

FEDERAL BUREAU OF INVESTIGATION

The bill (S. 4552) to extend the retirement privilege to the Director, Assistant Directors, inspectors, and special agents of the Federal Bureau of Investigation was announced as next in order.

Mr. COPELAND. Mr. President, may I ask the Senator from Michigan the purpose of this bill?

Mr. VANDENBERG. The purpose of the bill is to enclose within the civil-service retirement system the inspectors, Directors, and special agents of the F. B. I., the Federal Bureau of Investigation. It encloses them in the system on a contribution basis, the same as all others.

Mr. COPELAND. I am very much in favor of the bill; but I wonder why the Senator favors this bill and opposes the bill to let our clerks up here have a little relief.

Mr. VANDENBERG. I do not think there is the remotest parallel. Our clerks up here may occasionally suffer political casualty, but compared with the casualty which is confronted by the G-men of the Government I fail to see any analogy whatsoever.

Mr. McKELLAR. Mr. President, this is a little civil service for the G-men. I ask that the bill go over.

Mr. COPELAND. I hope it will not go over. I should hate to be a party to that.

The PRESIDING OFFICER. The clerk will state the next bill on the calendar.

Mr. COPELAND. I hope the Senator from Tennessee will withdraw his request.

Mr. McKELLAR. No; I cannot withdraw it, because, while I have not examined the bill carefully, as I understand, the bill creates a separate civil service for one department of the Government; and I am not going to agree to that.

Mr. VANDENBERG. The Senator says he does not understand the bill, and then proves that he does not understand it. I ask him if he will allow me to indicate to him its purpose.

Mr. McKELLAR. I have no objection to the Senator doing so; but, as I understand, the bill does not put these employees under civil service.

Mr. VANDENBERG. It does not.

Mr. McKELLAR. But it retires them under the laws of the civil service. It creates a civil service of their own, as I understand.

Mr. VANDENBERG. It does not create any civil service of their own at all. They already are chosen on the merit basis.

Mr. McKELLAR. Not under the civil service, though.

Mr. VANDENBERG. Not under the civil service, but on an infinitely stricter merit basis; and other noncivil service groups are already enclosed within the retirement privilege. So long as all the employees pay the same amount of money, they are entitled to equal treatment; and I do not think the Senator from Tennessee wishes to say that this particular group of Government employees, who are engaged in a hazardous business, ought to be prejudiced in this fashion.

Mr. McKELLAR. Let the bill go over.

The PRESIDING OFFICER. The clerk will state the next bill on the calendar.

Mr. COPELAND. Mr. President, if the Senator will bear with me for just a moment, I feel very much distressed that I even opened my head when this bill came up, because I do believe that these men—the G-men, who are subjected to all the dangers they are—should have this protection for their families. I hope the Senator from Tennessee will let the bill go along, because it is meritorious.

Mr. McKELLAR. I will go into the subject before the next call of the calendar, and will discuss it with the Senator; but for the present I wish to have the bill go over. I do not think we ought to have several systems of civil service within the Government.

Mr. COPELAND. I thank the Senator from Tennessee; and I hope in the meantime the Senator from Michigan, will review the bill relating to the employees of the Capitol, and see if he cannot likewise give favorable consideration to that bill.

Mr. VANDENBERG. Mr. President, I ask unanimous consent that at this point in the Record the recommendation of the Attorney General of the United States be printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

Due to the peculiar nature of their work and unusual qualifications required, the investigative personnel of the Federal Bureau of Investigation cannot properly be placed under civil-service requirements. And yet they obtain their positions under a merit system of their own, the vigor and reality of which no one challenges. It is hardly just that an investigative personnel, which is under great and continuous strain, should be denied retirement privileges which are extended to other Government employees. The enactment of the proposed legislation would go a long way toward strengthening the service, stimulating the morale, and make it possible to secure more readily the right type of men who would be willing to make a career of their work with the Department of Justice.

I am informed by the Acting Director of the Budget that the proposed legislation would not be in conflict with the program of the President.

Mr. McKELLAR. Mr. President, will not the Senator also state, for the Record, what other departments of the Government have a separate system like this?

Mr. VANDENBERG. I shall be very glad to get the list for the Senator and put it in the Record.

Mr. McKELLAR. I thank the Senator.

Mr. COPELAND. I think the bill itself includes the enumeration.

Mr. VANDENBERG. Yes; I think the bill does recite them.

ARTHUR VAN GESTEL, ALIAS ARTHUR GOODSSELL

The bill (H. R. 11164) for the relief of Arthur Van Gestel, alias Arthur Goodsell, was considered, ordered to a third reading, read the third time, and passed.

Mr. McKELLAR. Mr. President, in reference to the bill which has just been passed, I find that the Department recommends against it. I ask that the votes whereby it was ordered to a third reading and passed be reconsidered, and the bill allowed to go over.

The PRESIDING OFFICER. Without objection, the votes by which the bill was ordered to a third reading and passed will be reconsidered, and the bill will be passed over.

Mr. SHEPPARD. Mr. President, let me make a brief statement regarding the measure, in order that it may be in the Record, with the permission of the Senator.

Mr. McKELLAR. Certainly.

Mr. SHEPPARD. The War Department has no record of the service of the beneficiary of this bill. It passed the House on March 3; and since the bill was referred to the Senate Committee on Military Affairs, that committee has very carefully gone into it. The committee found that although the Department had no record of the beneficiary's service, Col. Theodore Roosevelt, afterward President Theodore Roosevelt, Maj. Gen. Joseph Wheeler, of Confederate fame, and other officers of unquestioned integrity, testified

that they knew that the beneficiary was in the service and that he was in the Medical Corps of the First Regiment United States Volunteer Infantry. In view of this evidence, and of the fact that the records of the Spanish-American War are very fragmentary and incomplete, the Senate committee decided to join the House committee and the House in favorable action on the bill.

Mr. McKELLAR. Mr. President, it will take just a moment to read part of the letter of Secretary Dern:

The enactment of a law such as that proposed in S. 756 will be a discrimination against many other persons who have claimed similar service and who have been denied military recognition, and in view of the fact that the official records of the War Department furnish no evidence of military service rendered by Arthur Van Gestal, alias Arthur Goodsell, and in view of the many rights, privileges, and benefits usually accorded to honorably discharged soldiers, it is recommended that the bill be not favorably considered.

Mr. ROBINSON. Mr. President, in cases of this nature each claimant must establish his case. When he proves that the records of the War Department are inadequate and incomplete—which we know is true of the records pertaining to the Spanish-American War—I think he should be granted relief. The soldier does not keep those records. He has no control over them. When officers like the late Col. Theodore Roosevelt and the late General Wheeler testify to a state of facts, I think all of us would like to accept their statements as true.

Mr. BACHMAN. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield.

Mr. BACHMAN. This case was referred to me; and in addition to what has been stated by the Senator from Arkansas and the Senator from Texas, I will state that there are in the record letters from an adjutant general and a surgeon general, who knew this man well and knew of his service in the Rough Rider Regiment. Very fragmentary records were kept of that regiment.

Mr. McKELLAR. Mr. President, in view of what my colleagues say about the matter, and since they have more knowledge of it than I have, I am willing to let the bill go through; but it seems to me the bill ought not to pass.

The PRESIDING OFFICER. The objection having been withdrawn, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 4664) authorizing the appointment of an additional district judge for the eastern district of Pennsylvania was announced as next in order.

Mr. DAVIS. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 4673) to authorize the Attorney General to provide instruction and information on the subject of crime control was announced as next in order.

Mr. WHEELER (and other Senators). Let the bill go over.

The bill will be passed over.

APPOINTMENT AND PROMOTION OF SUBSTITUTE POSTAL EMPLOYEES

The Senate proceeded to consider the bill (H. R. 7688) to provide for the appointment and promotion of substitute postal employees, and for other purposes, which had been reported from the Committee on Post Offices and Post Roads with an amendment to strike out all after the enacting clause and to insert:

That the ratio of classified substitute railway postal clerks, classified substitute post-office clerks, classified substitute city letter carriers, classified substitute village letter carriers, classified substitute laborers, watchmen, and messengers, and classified substitutes in the motor vehicle service, to regular railway postal clerks, post-office clerks, city letter carriers, village letter carriers, laborers, watchmen, and messengers, and employees of the motor vehicle service, shall be not more than one classified substitute to six regular employees, or fraction thereof, respectively, except that in offices having fewer than six regular employees there may be one substitute clerk and one substitute carrier, and one substitute in the motor vehicle service: *Provided*, That where the ratio of sub-

stitutes is now in excess of these ratios, no additional classified substitutes shall be appointed until these ratios are established: *Provided further*, That the provisions of this act shall not operate to furlough or dismiss (1) any classified substitute railway postal clerks, post-office clerks, city letter carriers, village letter carriers, or laborers, watchmen, or messengers; or (2) any classified substitutes in the motor vehicle service.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to provide for the appointment of substitute postal employees, and for other purposes."

MEMORIAL TO THOMAS JEFFERSON

The Senate proceeded to consider the joint resolution (S. J. Res. 240) to authorize the execution of plans for a permanent memorial to Thomas Jefferson.

Mr. THOMAS of Utah. Mr. President, there is on the clerk's desk an identical bill, House bill 12027. I ask that that bill be substituted for the Senate bill and passed.

The PRESIDING OFFICER. Without objection, House bill 12027, an identical bill, will be substituted for the Senate bill.

The Senate proceeded to consider the bill (H. R. 12027) to authorize the execution of plans for a permanent memorial to Thomas Jefferson, which was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, the Senate joint resolution will be indefinitely postponed.

TOLL BRIDGES ON FEDERAL-AID HIGHWAYS

The Senate proceeded to consider the bill (S. 4658) to aid the several States in making certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes, which had been reported from the Committee on Commerce with amendments, on page 1, line 3, after the word "State", to insert "or States or political subdivision or subdivisions thereof"; and, on line 7, after the word "State", to insert "or States or political subdivision or subdivisions thereof", so as to make the bill read:

Be it enacted, etc., That in the case of any State or States or political subdivision or subdivisions thereof which, prior to the date of approval of this act, shall have constructed and shall have in operation any toll bridges on the approved system of Federal-aid highways within such State or States or political subdivision or subdivisions thereof and which shall, prior to July 1, 1938, cause any such toll bridge, or toll bridges, to be made free, the Secretary of Agriculture shall be, and he is hereby, authorized to pay out of the Federal-aid road funds apportioned to the State not to exceed 50 percent of such amount as may be approved by the Secretary of Agriculture as the reasonable construction cost of any such toll bridge: *Provided*, That no payment of Federal funds shall be made on account of any such bridge which was not constructed in accordance with plans and specifications which would meet the standards required by the Secretary of Agriculture at the time such bridge was constructed, nor on account of any bridge the construction of which was commenced or completed prior to March 3, 1927: *And provided further*, That no such payment shall be made which will exceed 50 percent of the reasonable cost of the labor and materials which were actually incorporated in the construction of such bridge, excluding all costs of rights-of-way, property damages, and financing costs, and any amount so paid on account of any such bridge shall be used by the highway department of such State for matching unobligated Federal-aid road funds available for the State for expenditure in the improvement of highways on the system of Federal-aid highways.

The amendments were agreed to.

Mr. McNARY. Mr. President, this may be a meritorious measure, but it presents a very broad aspect of road and toll-bridge construction. I should like to have an explanation of the bill.

Mr. BLACK. I shall be glad to explain it to the Senator.

I will state in the beginning that the amendments which appear in the bill were added because similar amendments had been added to the House bill by the House committee. There is a similar bill now pending in the House.

Under the existing Federal-aid law, where a bridge is constructed over a Federal-aid highway the Government bears 50 percent of the expense. A number of the States have

erected toll bridges over highways which are Federal-aid highways. When that was done the Federal Government did not assist as it would have done had the bridges not been toll bridges.

Under the law, if the States, or the counties, or whatever subdivisions construct a toll bridge, free the toll bridge on a Federal-aid highway, and take it out of the toll bridge class, such State or political subdivision can then receive credit on its Federal-aid funds for the 50 percent.

This would not include the Federal-aid funds to the States. It simply would do that which would have been done if the bridge had not been a toll bridge in the beginning.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Theresa E. Thoreson

The Senate proceeded to consider the bill (S. 3723) granting an annuity to Theresa E. Thoreson, which was read, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of the Civil Service Retirement Act, of May 29, 1930, as amended, in respect of eligibility for retirement, the Civil Service Commission is authorized and directed to pay, out of the civil-service disability and retirement fund, to Theresa E. Thoreson, formerly postmaster, East Grand Forks, Minn., an annuity computed as provided in section 4 of such act, as amended; and the said Theresa E. Thoreson shall be credited with and entitled to count, for such purposes, in addition to all other periods of service to which she may be lawfully entitled, the periods of her employment as a postmaster of and employee in the post office at East Grand Forks, Minn., from July 1, 1909, to July 31, 1934, both dates inclusive. Payment of such annuity shall begin from the date of enactment of this act.

Mr. KING. Mr. President, I should like to have an explanation of this bill.

Mr. FRAZIER. Mr. President, the young woman named in this bill worked in the post office in East Grand Forks, Minn., for a little over 28 years. Twelve months of that time the post office was relegated from the second class to the third class. It was held by the Civil Service Commission during that time, during the war, that this lady lost her eligibility for retirement under the civil-service law.

Afterward, in 1926, a ruling was made by the Civil Service Commission that she was eligible, and all back payments for retirement were made and carried on faithfully until she was removed from office July 31, 1934. After that the Civil Service Commission ruled that she was ineligible for retirement.

The Committee on Civil Service of the Senate, which considered this measure, in view of the fact that the Civil Service Commission had ruled in 1926 that this claimant was entitled to civil-service retirement and had made her payments faithfully and worked in the post office for over 28 years, felt that she was entitled to retirement, as provided in the pending bill. I believe the bill ought to be passed, in all fairness.

Mr. KING. I have no objection.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OFFERING OF FINAL PROOF BY HOMESTEAD AND DESERT LAND ENTRYMEN

The bill (S. 3866) to further extend the period of time during which final proof may be offered by homestead and desert land entrymen was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to extend the period of time during which final proof may be offered by homestead entrymen", approved May 13, 1932, as amended, is amended by striking out "December 31, 1935" and inserting in lieu thereof "December 31, 1936".

James L. Barnett

The bill (S. 565) for the relief of James L. Barnett was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the provisions of an act of the Congress of the United States of America entitled "An act for the retirement

of employees in the classified civil service, and for other purposes", approved May 22, 1920, and as subsequently amended, be extended and enlarged so as to grant relief to James L. Barnett, who was involuntarily retired from the Rural Mail Service of the United States by reason of personal injuries, said separation from the Service having taken place prior to the passage of the aforesaid original Retirement Act.

COMMISSIONED STRENGTH, CORPS OF ENGINEERS

The Senate proceeded to consider the bill (S. 4699) to provide a commissioned strength for the Corps of Engineers, United States Army, for the efficient performance of military and other statutory duties assigned to that corps, which had been reported from the Committee on Military Affairs with an amendment, to strike out all after the enacting clause and to insert the following:

That section 11 (Corps of Engineers), National Defense Act, as amended, is hereby further amended to provide one additional assistant to the Chief of Engineers with the rank of brigadier general, and 185 additional officers in grades from colonel to second lieutenant, inclusive: *Provided*, That the legally authorized commissioned strength of the Regular Army is increased by 185, which said increase shall be allotted to the Corps of Engineers: *Provided further*, That officers of the Corps of Engineers employed primarily on duty connected with nonmilitary public works prosecuted under the direction of the Chief of Engineers, including river and harbor improvements, flood control, and other such works, shall, while so employed, be paid their pay and allowances, mileage and travel allowances from the appropriation for the work or works upon which they are employed: *And provided further*, That the number of officers so engaged and so paid shall be exclusive of the commissioned strength of the Regular Army as now or hereafter limited by the funds appropriated for "Pay of the Army" in the annual War Department Appropriation Act.

Mr. WHEELER. Let the bill go over.

Mr. SHEPPARD. Mr. President, I may say to the Senator from Montana that this bill authorizes the Chief of Engineers to take from other branches of the Army a sufficient number of engineers to enable him to carry out the additional work, of a nonmilitary character, which has been imposed on him during the last few years.

Mr. WHEELER. I do not object.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

COMPENSATION TO EMPLOYEES OF CONTRACTORS

The Senate proceeded to consider the bill (S. 3238) to provide compensation for disability or death resulting from injury to employees of contractors on public buildings and public works, which had been reported from the Committee on Education and Labor with amendments.

The first amendment of the committee was, in section 3, on page 3, line 2, after the word "works", to insert the words "or work for any public purpose"; on line 15, after the word "compensation", to insert the word "insurance"; on line 20, after the word "contract", to insert the words "a violation of this act"; on line 24, after the word "law", to insert the words "or where there is no State workmen's compensation law"; on page 4, line 1, after the word "employees", to strike out the words "provide liability insurance to secure the payment of compensation orders pursuant to such provisions of chapter 18 of title 33 of the Code of Laws of the United States (act of Mar. 4, 1929, 44 Stat. 1424)", and to insert in lieu thereof the words "secure the payments of compensation and the furnishing of other benefits pursuant to such provisions of the Longshoremen's and Harbor Workers' Compensation Act (ch. 18 of title 33 of the Code of Laws of the United States, act of Mar. 4, 1927, 44 Stat. 1424)", so as to read:

Be it enacted, etc., That this act may be cited as the "Federal Building Workmen's Compensation Act."

Sec. 2. When used in this act—

(1) The term "person" means individual, partnership, corporation, or association.

(2) The term "injury" means accidental injury or death arising out of and in the course of employment, and such occupational disease or infection as arises naturally out of such employment or as naturally or unavoidably results from such accidental injury, and includes an injury caused by the willful act of a third person directed against an employee because of his employment.

(3) The term "employer" shall be held to mean every person entering into a contract pursuant to section 3 of this act.

(4) The term "employee" shall be held to mean any person employed on work covered by a contract entered into pursuant to section 3 of this act, irrespective of whether such person is employed by the contractor or a subcontractor.

(5) The term "State" includes a Territory and the District of Columbia.

(6) The term "United States" when used in a geographical sense means the several States and Territories and the District of Columbia, including the territorial waters thereof.

(7) "Death" as a basis for a right to compensation means only death resulting from an injury.

(8) The singular includes the plural and the masculine includes feminine and neuter.

SEC. 3. Every contract entered into with the United States or any executive department, independent establishment, agency, or instrumentality thereof (including Government-owned and Government-controlled corporations) for the construction, alteration, or repair of any public building or public works, or work for any public purpose, shall contain provisions to the following effect, a violation of any of which shall be deemed a breach of the condition of the contract and a violation of this act:

(a) The contractor shall, before commencing performance of such contract, provide adequate workmen's-compensation insurance for employees on the work who may come within the protection of the workmen's-compensation laws of the State in which the work is to be performed.

(b) The contractor shall be deemed to satisfy the foregoing condition with respect to employees of a subcontractor if he requires such subcontractor, before commencing performance of his subcontract, to provide adequate workmen's compensation insurance for such of his employees on the work as may come within the protection of the workmen's-compensation laws of the State in which the work is to be performed, but any failure on the part of a subcontractor to provide such insurance shall be deemed a breach of contract and a violation of this act by the contractor.

(c) In the event that there are employees on the work, recovery for whose injury or death through workmen's-compensation proceedings may not validly be provided by State law, or where there is no State workmen's-compensation law, the contractor shall, with respect to the injury or death of such employees, secure the payments of compensation and the furnishing of other benefits pursuant to such provisions of the Longshoremen's and Harbor Workers' Compensation Act (chapter 18 of title 33 of the Code of Laws of the United States, act of Mar. 4, 1927, 44 Stat. 1424), as amended from time to time, as are made applicable by this act and the rules and regulations issued thereunder.

The amendments were agreed to.

The next amendment of the committee was, on page 4, line 12, in section 4 after the word "of", to strike out the words "chapter 18 of title 33 of the Code of Laws of the United States (Act of Mar. 4, 1927, 44 Stat. 1424)", and to insert in lieu thereof the words "the Longshoremen's and Harbor Workers' Compensation Act (ch. 18 of title 33 of the Code of Laws of the United States, act of Mar. 4, 1927, 44 Stat. 1424)"; on line 18 after the word "inappropriate", to strike out the words "to employment on public buildings or public works"; on line 23, after the word "validly", to strike out the word "proved" and to insert the word "provided"; on page 5, line 4, after the word "subcontractor", to insert the words "Provided, however, That with respect to an injury or death occurring to an employee on United States property within the exterior boundaries of a State having a workmen's compensation law which law would otherwise be applicable to such injury or death, such property shall be deemed to be within the jurisdiction of the State for the purpose of such compensation law", so as to make the section read:

SEC. 4. The provisions of the Longshoremen and Harbor Workers' Compensation Act (ch. 18 of title 33 of the Code of Laws of the United States, act of Mar. 4, 1927, 44 Stat. 1424), as amended from time to time, insofar as such provisions are not inappropriate, shall apply in respect to the injury or death of any employee on work covered by a contract entered into pursuant to section 3 of this act, if recovery for such injury or death through workmen's-compensation proceedings may not be validly provided by State law; except in applying such provisions, the term "employer" shall be held to mean every person entering into a contract pursuant to section 3 of this act and the term "employee" shall be held to mean any person employed on work covered by such a contract irrespective of whether such person is employed by a contractor or subcontractor: *Provided, however,* That with respect to an injury or death occurring to an employee on United States property within the exterior boundaries of a State having a workmen's-compensation law which law would otherwise be applicable to such injury or death, such property shall be deemed to be within the jurisdiction of the State for the purpose of such compensation law.

The amendments were agreed to.

The next amendment of the committee was in section 6, on page 5, line 23, after the numerals "40" insert a comma and the word "section", so as to read:

SEC. 5. Any contractor who violates any of the provisions of this act or the rules and regulations issued thereunder shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than \$1,000, or by imprisonment for not more than 1 year, or by both, such fine and imprisonment. This section shall not affect any other liability of the employer under this act.

SEC. 6. Any insurer who has a claim for unpaid premiums for any policies of insurance required by this act to be written shall have the right of action and of intervention against the contractor and his sureties conferred upon persons furnishing labor and materials by this act of August 13, 1894 (28 Stat. 278, U. S. C., title 40, sec. 270), as amended from time to time.

The amendment was agreed to.

The next amendment was, on page 6, to strike out section 7, as follows:

SEC. 7. The Secretary of the Treasury, the Secretary of the Interior, and the Secretary of Labor jointly shall make rules and regulations to aid in the enforcement of this act. Such rules and regulations shall prescribe the duties of the contracting officers in securing compliance with section 3 and shall authorize such contracting officers to waive the conditions of said section when compliance therewith would seriously impede the conduct of Government business.

And to insert in lieu thereof a new section, as follows:

SEC. 7. The United States Employees' Compensation Commission shall make such rules and regulations as may be necessary to carry out the provisions of this act. Such rules and regulations shall prescribe the duties of the contracting officers in securing compliance with section 3 of this act and shall authorize such contracting officers to waive the conditions of said section, subject to the approval of the United States Employees' Compensation Commission, when compliance therewith would seriously impede the conduct of Government business.

The amendment was agreed to.

The next amendment was, in section 9, on page 7, line 6, after the word "amended", to insert the words "or that act as extended in cases of injury or death to employees of the Tennessee Valley Authority, employees of the Federal Civil Works Administration, enrollees of the Civilian Conservation Corps, and the persons employed receiving security payments for services rendered to the United States under the Emergency Relief Appropriation Act of 1935", so as to read:

SEC. 8. If any provisions of this act, or the application of such provisions to any person or circumstance, shall be held invalid, the remainder of this act, or the application of such provisions to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

SEC. 9. This act shall not apply in respect to the injury or death of an employee subject to the provisions of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, or that act as extended in cases of injury or death to employees of the Tennessee Valley Authority, employees of the Federal Civil Works Administration, enrollees of the Civilian Conservation Corps, and the persons employed receiving security payments for services rendered to the United States under the Emergency Relief Appropriation Act of 1935.

The amendment was agreed to.

The next amendment was, on page 7, after line 12, to insert a new section, as follows:

SEC. 10. This Act shall apply to all contracts entered into pursuant to invitations for bids issued on or after 60 days from the effective date of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MR. WHEELER. Mr. President, I ask that the report on this bill be printed in the RECORD.

There being no objection, the report (No. 2119) was ordered to be printed in the RECORD, as follows:

[Report to accompany S. 3238]

The Committee on Education and Labor, to whom was referred the bill (S. 3238) to provide compensation for disability or death resulting from injury to employees of contractors on public buildings and public works, having considered the same, report thereon with the recommendation that the bill do pass with amendments.

The bill, as amended, is recommended by the Acting Secretary of the Treasury, the Secretary of Labor, the Acting Secretary of

the Interior, and the Chairman of the United States Employees' Compensation Commission, and their reports upon the bill are printed at the end of this report.

The purpose of the bill is to require that every contractor entering into contracts with the United States, or any executive department, independent establishment, agency, or instrumentality thereof (including Government-owned and Government-controlled corporations), before commencing the construction, alteration, or repair of any public building or public works, shall provide workmen's compensation insurance for employees on the work who may come within the protection of the workmen's compensation laws of the State in which the work is to be performed.

The bill further provides for the application of the Longshoremen's and Harbor Workers' Compensation Act (approved Mar. 4, 1927, 44 Stat. 1424), as amended, to such employees where compensation for injury or death may not be validly provided by State compensation laws or where there is no State workmen's compensation law.

Briefly, then, the bill is intended (1) to require compliance with the State workmen's compensation law by a contractor entering into a contract with the United States (as provided in sec. 3 thereof), as a condition precedent to commencing performance of the contract, and (2) to provide Federal workmen's compensation law for employees of such a contractor at places where at present no such remedy exists under the State laws.

The bill is designed to fill a conspicuous gap in the workmen's compensation field by furnishing protection against injury to laborers and mechanics employed in connection with Government construction. At present there is no Federal statute applying workmen's compensation to such employees. The various State courts have held that such employees, even though their injuries are sustained on Federal projects, are entitled to benefits of the State workmen's compensation acts. But the result of such decisions affords only partial protection, as some States (Arkansas and Mississippi, for example) do not have workmen's compensation laws, and in other States compliance with the statute is optional.

An even more serious situation has resulted from the fact that under a recent decision of the Supreme Court (*Murray v. Gerrick Co.*, 291 U. S. 315) there is some doubt as to whether State workmen's compensation acts, not having any extraterritorial force, have any application to deaths or injuries which occur in national parks or other property within the exclusive jurisdiction of the United States. This bill proposes to correct this situation by an amendment which provides expressly that a State workmen's compensation law which would otherwise be applicable to such an injury or death shall be deemed to apply with the same force and effect as if such injury or disability occurred on property within the jurisdiction of the State. The bill also attempts to provide more complete protection to workmen through a section designed to encourage insurance companies to keep policies of insurance in force, even though the contractor has defaulted in the payment of his premiums by conferring upon insurers a right of action on the contractor's bond.

The committee has adopted most of the amendments to the bill at the suggestion of the several departments which have made a study of the matter. Their recommendations are submitted herewith in full:

UNITED STATES EMPLOYEES' COMPENSATION COMMISSION,
Washington, April 28, 1936.

HON. DAVID I. WALSH,
Chairman, Committee on Education and Labor,
United States Senate, Washington, D. C.

MY DEAR CHAIRMAN: Reference is made to your letter of July 17, 1935, transmitting for the Commission's suggestions and recommendations the bill (S. 3238) to provide compensation for disability or death resulting from injury to employees of contractors on public buildings and public works.

The purpose of the bill appears to be to require contracts entered into with the United States or any executive department, independent establishment, agency, or instrumentality thereof (including Government-owned and Government-controlled corporations), for the construction, alteration, or repair of any public building or public work, to contain provisions under which the contractor will be required to provide under State law adequate workmen's compensation insurance for employees on the work who may come within the protection of the workmen's compensation laws of the State in which the work is to be performed, and where compensation may not validly be provided by State law, to require the contractor to provide insurance to secure the payment of compensation under "the provisions of chapter 18 of title 33 of the Code of Laws of the United States" (the Longshoremen's and Harbor Workers' Compensation Act, approved Mar. 4, 1927, 44 Stat. 1424). Section 4 of the bill makes applicable, insofar as not inappropriate, the provisions of the Longshoremen's and Harbor Workers' Compensation Act, as amended from time to time, in cases of injury or death of employees on work covered by such a contract, if recovery for such injury or death through workmen's compensation proceedings may not be validly provided by State law.

Briefly, the bill is apparently intended (1) to require compliance with the State workmen's compensation law by a contractor entering into a contract with the United States (as provided in sec. 3 thereof), as a condition precedent to commencing performance of the contract, and (2) to provide a workmen's compensation law

for employees of such a contractor at places subject to the exclusive jurisdiction of the United States where at present no such remedy exists.

Purpose (1) of the bill, as indicated above, does not seem to require any comment other than the statement that the Commission heartily approves the requirement that all employers as defined in the bill (including subcontractors) shall secure protection for their employees as provided therein.

Purpose (2) of the bill is no doubt intended, among other things, to fill a gap now existing. There is in effect at present a Federal act authorizing suit under State law for death or personal injury within a national park or other place subject to the exclusive jurisdiction of the United States, namely, the act of February 1, 1928 (45 Stat. 54, U. S. Code, Annotated, title 16, sec. 457). This act provides a right of recovery for injuries and death by the neglect or wrongful act of another, but does not provide a remedy in cases of nonnegligent injuries to employees such as may be compensated under workmen's compensation laws. The present measure, if enacted, would apparently supersede the act of February 1, 1928, above referred to, to the extent of the remedy as against the contractor provided under the Longshoremen's Act as proposed in cases of injury or death of employees which occur in national parks and other places subject to the exclusive jurisdiction of the United States. Section 5 of the Longshoremen's Act provides that the liability of an employer prescribed therein shall be exclusive and in place of all other liability of such employer to the employee, his legal representative, dependents, etc., entitled to recover damages from such employer on account of injury or death, with a right of action against the employer in such cases where the employer fails to secure the payment of compensation as required by the Longshoremen's Act, in which event certain defenses are removed.

It has been held in several cases that a State workmen's compensation law may be invoked to compensate employees or their dependents for injuries or death sustained on Federal property or at places subject to the exclusive jurisdiction of the United States. A case in point is *Lynch's case* (183 N. E. 834 (Mass., Jan. 1933)), where the injury was sustained during the construction of a post-office building in Boston on ground that had been purchased by the United States, the sole concurrent jurisdiction retained by the State being that for the purpose of executing civil and criminal process. The Supreme Judicial Court of Massachusetts held that since the workmen's compensation act of that State provided for extraterritorial force, and that as one employed in that Commonwealth can recover under that act for an injury which occurred in another State, the award under the State act should be affirmed. In consideration of the extraterritorial provision referred to, the court said: "In principle we are unable to perceive any sound ground for the application of a different rule when the injury occurs on Federal land." The court said further, however: "As there is no Federal workmen's compensation law there is no basis for a contention that the Federal Government has taken possession of the field, and for that reason all State laws on the subject were superseded." For other similar cases see: *State ex rel Loney v. Industrial Accident Board* (286 Pac. 408 (Mont. 1930)), where the award was sustained on the ground, among others, that the workmen's compensation law of Montana became a part of the contract between the employer and employee, notwithstanding that the injury occurred on land which had been ceded to the United States; *Nickell v. Dept. of Labor & Industries* (3 Pac. (2d) 1005 (Wash. 1931)); *State v. Dept. of Labor & Industries* (10 Pac. (2d) 213 (Wash. 1932)), where the State act was in force at the time when jurisdiction over the particular territory was ceded by the State to the United States for a national park and was held to remain in force in that territory until Congress should have passed an act to supersede it therein; *State v. State Industrial Accident Board* (286 Pac. 408 (Mont.)); *Walsh v. Apartment Engineering & Contracting Co.* (240 App. Div. (N. Y.), 1919), decided in November 1933, where the appellate division, by a divided court, sustained an award to a wire lather injured on Governors Island, ceded to the United States by New York, on the ground that the work on Governors Island was incidental to work within New York City. A dissenting opinion quoted subdivision (17) of section 8 of article I of the Constitution to support the exclusive jurisdiction of the Federal Government over Governors Island.

The Supreme Court of the United States, however, in the case of *Murray v. Gerrick & Co.* (291 U. S. 316), decided February 5, 1934, sustained the Supreme Court of Washington in holding that the compensation act of that State does not apply to territory beyond the authority of the State legislature, and also that it could not have any force in the navy yard at Puget Sound, since it was adopted many years after the cession of jurisdiction by that State and the consequent acquisition of the tract by the United States, and that after the effective date of the State's cession the jurisdiction of the Federal Government was exclusive. The Court pointed out, however, that Congress may adopt such later State legislation as respects territory under its jurisdiction; and in this connection it may be noted in the light of *Lynch's case*, cited above, that the Washington workmen's compensation law apparently contains no provision for extraterritorial effect. This feature was not discussed by the Supreme Court in the *Murray* case. But the case of *Hilding v. Department of Labor and Industries* (298 Pac. 321), decided in April 1931, in effect judicially construes the Washington act as having extraterritorial effect. In *Willis v. Oscar Daniels Co.* (166 N. W. 496 (Mich.)), the Court held that where a

State act ceded to the Federal Government land for a ship canal, a State workmen's compensation act thereafter passed by the State is not operative thereon.

The rule laid down by the Supreme Court in the Murray case in respect to the test of jurisdiction will no doubt affect subsequent cases. No case, however, has been noted since the decision of the Supreme Court in this case. The Commission accordingly believes that so far as purpose (2), referred to above, is concerned, there is need for the legislation proposed by the bill. At this juncture it may also be not inappropriate to call the committee's attention to the need for workmen's compensation legislation affecting private employees employed at places subject to the exclusive jurisdiction of the United States, other than those who may be employed by contractors within the purview of section 3 of the bill. The Commission has in mind employees of concessioners and others not performing work for the United States under contract. It may be that the committee may desire to consider an addition to the bill to include employees of such employees.

As to the form of the bill, the Commission makes the following comments and suggestions:

On page 3, line 2, it is suggested that the words "or work for any public purpose" be inserted after the words "public works." It is no doubt intended that the bill should be as inclusive as possible with respect to the employees intended to be covered thereby. The addition of the words suggested may have the effect of preventing strict construction of the term "public works"; and in this connection it is to be noted that the term "public purpose" appears to have been construed in a larger and more diversified number of cases than the term "public works."

On page 3, section (c), line 23, it is suggested that the words "or where there is no State workmen's compensation law" be added after the word "law" in that line. The States of Arkansas and Mississippi do not have workmen's compensation laws. By the provision suggested employers entering into contracts with the United States within the purview of the bill for work in those States would be required to protect their employees under the applicable provisions of the Longshoremen's Act.

The term "liability insurance", appearing in line 24, on page 3, is not usually applied to workmen's compensation insurance. Moreover, no doubt self-insurance as provided for under the Longshoremen's Act may be appropriate and desirable as an alternative to an insurance policy. It would also seem that the use of the word "orders", in line 25, on page 3, may be unnecessarily restrictive of the purpose of this measure. It is therefore suggested that in lieu of the language in paragraph (c), beginning with the word "provide", in line 24, on page 3, and continuing to the end of line 2, of page 4, the following be substituted: "secure the payments of compensation and the furnishing of other benefits pursuant to such provisions of the Longshoremen's and Harbor Workers' Compensation Act (ch. 18, title 33, Code of Laws of the United States, act of Mar. 4, 1927, 44 Stat. 1424)."

It is suggested that the reference to the Longshoremen's Act, in section 4, on page 4, be made to conform to that just above indicated.

It is suggested that a comma be inserted after the word "inappropriate", in line 8, on page 4, and the words "to employment on public buildings or public works" be deleted. These words do not appear to be necessary to carry out the purpose of section 4, and they might be construed, if left in the bill, as a limitation upon the employments covered. Moreover, the scope of the act appears to be sufficiently set forth in section 3 of the bill.

On page 4, line 13, the word "proved" is no doubt intended to be "provided."

Section 7 of the bill provides, in effect, that contracting officers shall be authorized to waive the conditions of section 3 when compliance therewith would seriously impede the conduct of Government business. The Commission believes that this authority is too broad, in that it gives to the contracting officers authority to waive entirely the provisions of the proposed act and may create situations not tending to uniformity. Since the whole purpose of the measure relates to workmen's compensation for injuries sustained by employees of contractors contracting with the United States, and as the liability of the contractor is so clearly set forth in the provisions of section 3 of the bill, it may be entirely desirable and probably would be of administrative advantage to provide in section 7 for this Commission to make such rules and regulations as may be necessary to aid in the enforcement of this act. So far as the Longshoremen's Act is concerned, this Commission is authorized in section 39 thereof to make rules and regulations, and section 39 would no doubt be appropriate with respect to any rules and regulations necessary to administer such provisions of the Longshoremen's Act as by the proposed act would be made to apply at places where the Federal Government has exclusive jurisdiction. The Commission deprecates giving any officer power to waive and set aside this law; but if such right of waiver be deemed necessary, the Commission suggests that any such waiver be made subject to the approval of this Commission.

It is suggested that at the end of section 9 the period be changed to a comma and the following words be added: "or that act as extended in cases of injury or death to employees of the Tennessee Valley Authority, employees of the Federal Civil Works Administration, enrollees of the Civilian Conservation Corps, and persons employed receiving security payments for services rendered to the United States under the Emergency Relief Appropriation Act of 1935." Such an addition would appear to be

necessary to include all employees with respect to whom the act of September 7, 1916, has been extended.

The Commission is entirely in accord with the purpose of the bill S. 3238 and accordingly recommends its enactment. This expression of the Commission's views, however, is not to be understood as a commitment with respect to the relation of the proposed legislation to the program of the President.

It is hoped that the foregoing suggestions and recommendations may be of assistance to the committee in its consideration of the bill. Delay in the submission of this report was occasioned by pressure of work in the office of the Bureau of the Budget, to which it was referred by the Commission on August 13, 1935.

Very truly yours,

(Mrs.) JEWELL W. SWOFFORD,
Chairman.

OFFICE OF THE SECRETARY OF THE INTERIOR,
Washington, December 21, 1935.

HON. DAVID I. WALSH,

Committee on Education and Labor, United States Senate.

MY DEAR MR. CHAIRMAN: I have received your letter of July 17 requesting a report on S. 3238, entitled "A bill to provide compensation for disability or death resulting from injury to employees of contractors on public buildings and public works."

This proposed legislation would require that contractors for the construction, alteration, or repair of any public building or public works shall, before commencing performance of such contract, provide adequate workmen's compensation insurance for employees on the work who may come within the protection of the workmen's compensation laws of the State in which the work is to be performed. The failure of the subcontractor to provide such insurance would be a breach of the contract by the contractor.

This bill is of especial significance, inasmuch as it would require that contractors provide liability insurance for employees not protected by State workmen's compensation laws, and it appears that all classes of employees would be protected thereunder. Rules and regulations would be promulgated by the Secretary of the Treasury, the Secretary of Labor, and the Secretary of the Interior, jointly, prescribing the duties of contracting officers in securing compliance with section 3. Contracting officers would have the authority to waive the conditions of this section when compliance therewith would seriously impede the conduct of Government business.

The provisions of the Longshoremen's and Harbor Workers' Compensation Act (44 Stat. 1424), as amended, are made to apply under this proposed legislation where injury or death of any employee on work covered by a contract entered into pursuant to section 3 may not be validly provided by State law, except as to the definitions of "employer" and "employee", which definitions seek to include all classes of employers and employees on contracts of this type.

On page 4, line 2, of this bill, I note an apparent typographical error. The year "1929" should read "1927".

As this legislation, when enacted, would provide a Federal statute that would fill a serious gap in the workmen's compensation field, and would be a protection to employees of contractors on public buildings and public works, I recommend that it receive favorable consideration by the Congress.

Sincerely yours,

CHARLES WEST,
Acting Secretary of the Interior.

DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, July 23, 1935.

HON. DAVID I. WALSH,

Chairman, Committee on Education and Labor,
United States Senate, Washington, D. C.

MY DEAR SENATOR WALSH: I have your letter of July 17, 1935, in which you request my comments on S. 3238, to provide compensation for disability or death resulting from injury to employees on contracts on public buildings and public works.

This bill is one which I recommend for the serious consideration of your committee. It is designed to fill a conspicuous gap in the workmen's compensation field by furnishing protection against injury to laborers and mechanics employed in connection with Government construction.

As you are undoubtedly aware, there is no Federal statute applying workmen's compensation to such employees. Various State courts have held that such employees, even though their injuries are sustained on Federal projects, are entitled to benefits of the State workmen's compensation act. This line of authority, however, affords only a partial protection. Some States do not have any compensation laws, and in others compliance with the statute is optional. Moreover, in certain jurisdictions the scope of the statute is so narrow that it does not cover all workers on building projects.

Earlier in the session Senator WHEELER introduced another bill intended to remedy this situation by the device of extending the obligation of the bonds of contractors to include the payment of compensation. This bill, S. 2144, was criticized by me in my letter of March 15 to your committee as not adequate to accomplish its purpose. The instant bill, however, meets all the criticisms in my letter.

The principal substantive provisions of the present bill are contained in section 3, which requires all contracts to stipulate that the contractor shall either provide adequate workmen's compensation insurance himself or to see to it that his subcontractors carry such insurance. In the event that there are employees on the work for whom State workmen's compensation insurance could not be validly provided, the contractor then must cover such workers by providing liability insurance to secure payment of compensation awards by the United States Employees' Compensation Commission pursuant to the Longshoremen's and Harbor Workers' Compensation Act (act of Mar. 4, 1927, 44 Stat. 1424, U. S. C., title 33, ch. 18). In other words, wherever possible all laborers and mechanics are to be covered by the local statute; but where this is impossible, either because of the absence of a statute or because the statute does not apply to death cases, certain occupations, or nonresidents, etc., such workers would be covered by the provisions of the Longshoremen's and Harbor Workers' Act. And section 4 makes the provisions of that act applicable to injury or death not provable under State compensation laws.

Incidentally, this particular Federal act was apparently selected rather than the United States Employees' Compensation Act, because the former statute contemplates the participation of commercial insurance companies and has been applied successfully as a general workmen's compensation law to private employment in the District of Columbia. The fact that the proposed act is to be administered by a commission located in Washington will not mean that the workers having claims under it will have to appear here, for the Commission has a field staff.

Section 5 of the bill, the penalty section, is taken verbatim from the corresponding section in the Longshoremen's and Harbor Workers' Act.

Section 6 is intended to guard against policies being canceled because of unpaid premiums, by inducing insurers to extend credit to contractors by giving them the same cause of action on the surety bond conferred by the Hurd Act upon persons furnishing labor and materials (act of Aug. 13, 1894, 28 Stat. 278, U. S. C., title 40, sec. 270).

Section 7 directs the respective heads of the Treasury, Interior, and Labor Departments to make rules and regulations to aid in the enforcement of the act. The object of this section is to prescribe certain duties for the inspectors with respect to seeing that the insurance policies remain in force and give adequate coverage, but giving them latitude to waive these requirements where the actuarial costs of securing such policies are so high or so difficult to obtain that the business of the Government would be seriously impeded.

The last two sections of the bill were apparently added out of an abundance of caution. Section 8 contains the conventional separability clause. Section 9 makes it clear that the bill does not apply to Federal employees, including persons directly employed by the Government on projects under the Emergency Relief Appropriation Act of 1935 (Public Res. No. 11, 74th Cong.). Such workers are protected by section 2 of the relief act.

In reading this bill I noticed two typographical errors. The word "proved", on page 4, line 13, should read "provided." On page 5, line 8, the word "section" should be inserted before the figures "270." Except for these two amendments I have no suggestions for revision, although it is possible that the Compensation Commission, which is charged with the duty of administering a portion of the act, may have some suggestions to make with respect to the administrative sections and with provisions for the cost of administration.

Sincerely yours,

FRANCES PERKINS.

TREASURY DEPARTMENT,
Washington, April 13, 1935.

Hon. DAVID I. WALSH,

Committee on Education and Labor, United States Senate.

DEAR MR. CHAIRMAN: This is with reference to your letter of July 17, 1935, requesting the suggestions and recommendations of this Department relative to S. 3238, a bill to provide compensation for disability or death resulting from injury to employees of contractors on public buildings and public works.

This bill requires contractors to provide compensation insurance under State workmen's compensation acts for employees engaged in construction, alteration, or repair of any public building or public works of the Federal Government, and provides for the application of the Longshoremen's and Harbor Workers' Compensation Act to such employees insofar as State compensation laws may not validly be made applicable to them. The bill thus follows the provisions of the Longshoremen's and Harbor Workers' Act; and in order to avoid any ambiguity in, and inconsistency between, the provisions of S. 3238, it is recommended that the language of section 3 of the Longshoremen's Act (sec. 903, title 33, U. S. C.) be used throughout sections 3 and 4 of the proposed bill. Section 3 of the Longshoremen's Act provides in part as follows:

"Compensation shall be payable under this chapter in respect of disability or death of an employee, but only if the disability or death results from an injury occurring upon the navigable waters of the United States—including any drydocks—and if recovery for the disability or death through workmen's compensation proceedings may not validly be provided by State law."

It is assumed that the same result is intended under the proposed bill, namely, that contractors on Federal public buildings and public works shall provide workmen's compensation insurance under State laws where this may validly be provided by State law, and provide compensation insurance like that provided under the Longshoremen's Act where State laws may not be validly applied. It is suggested, therefore, that subsection (a) of section 3 be amended to read as follows:

"The contractor shall, before commencing performance of such contract, provide adequate workmen's compensation insurance in respect of the death or disability of any employee, recovery for which through workmen's compensation proceedings may not validly be provided for by the law of the State in which such contract is to be performed."

It is to be noted that this suggestion makes the test of the applicability of State laws depend upon whether or not such laws may be validly applied to the injury or death of the employee and not whether such laws may be applicable to the employee. It is obvious that employees engaged upon Federal public buildings and public works may also be engaged on other work undertaken by a contractor, and thus be protected by State workmen's compensation laws to that extent. As the bill is now drafted, subsection (c) of section 3 may be construed not to extend the provisions of the Longshoremen's Act to employees who may be partially protected by State laws, since such employees may not be deemed "employees on the work, recovery for whose injury or death through workmen's compensation proceedings may not validly be provided by State law." It is suggested that this subsection be revised to conform with the provisions of subsection (a) so as to read as follows:

"In respect of any injury or death of any employee, recovery for which through workmen's compensation proceedings may not validly be provided by State law, the contractor shall provide liability insurance to secure the payment of compensation orders pursuant to such provisions of chapter 18 of title 33 of the Code of Laws of the United States (act of Mar. 4, 1927, 44 Stat. 1424), as amended from time to time, as are made applicable by this act and the rules and regulations issued thereunder."

Similarly, section 4 and subsection (b) of section 3 should be harmonized to conform with the suggested revision of subsections (a) and (b) of section 3. In line 13, on page 4 of the bill, the word "provided" should be inserted in lieu of the word "proved." After the word "workmen's", in line 13, of page 3, there should be inserted in lieu of lines 14, 15, and 16, on page 3, the following: "compensation insurance in respect of the injury or death of any employee, recovery for which through workmen's compensation proceedings may not validly be provided by the laws of the State in which the contract is to be performed, but * * *."

Subsection (b) of section 5 seems to be ambiguous as to the effect of the failure on the part of any subcontractor to provide workmen's compensation insurance pursuant to an agreement under his contract. It is provided in that subsection that such failure shall be deemed to be a breach of contract by the contractor, but it is not clear whether it may also be a violation of the act, in view of the provisions of the first paragraph of section 3, which provides that a violation of any of the provisions of the subsections of section 3 shall be deemed a breach of the condition of the contract, and a violation of the act, subjecting the contractor to fine or imprisonment pursuant to section 5. If it is intended that such failure on the part of the subcontractor shall not constitute a violation of the act, though a breach of the contract, express provision should be made to that effect. There should be inserted in line 10, on page 3, after the word "contractor", the following: "but shall not be deemed a violation of this act."

The injuries or deaths, compensation for which the proposed bill seeks to provide, will generally occur on land which is subject to the exclusive jurisdiction of the United States, so that, therefore, employees covered by the proposed bill must be engaged in work on land which is subject to such exclusive jurisdiction. The act of February 1, 1928 (sec. 457, title 16, U. S. C.), provides as follows:

"In the case of the death of any person by the neglect or wrongful act of another within a national park or other place subject to the exclusive jurisdiction of the United States, within the exterior boundaries of any State, such right of action shall exist as though the place were under the jurisdiction of the State within whose exterior boundaries such place may be; and in any action brought to recover on account of injuries sustained in any such place the rights of the parties shall be governed by the laws of the State within the exterior boundaries of which it may be."

Since both this section and the provisions of S. 3238 provide remedies for deaths and injuries occurring on lands subject to the exclusive jurisdiction of the United States, it is desirable to provide expressly whether the remedies afforded by Revised Statutes 355 are impliedly repealed by the provisions of the proposed bill. If this result is not intended, it is suggested that the bill expressly provide that there may be an election to recover under Revised Statutes 355 or to recover under the applicable compensation laws.

Subject to the above suggestions, this Department recommends that the bill S. 3238 be enacted into law.

Very truly yours,

T. JEFFERSON COOLIDGE,
Assistant Secretary of the Treasury.

POSTAGE STAMP TO COMMEMORATE FOUNDING OF HARVARD UNIVERSITY

The bill (S. 4483) to authorize the issuance of a special postage stamp in commemoration of the three hundredth anniversary of the founding of Harvard University was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Postmaster General is authorized and directed to issue a special series of 3-cent postage stamps, of such design as he shall prescribe, in commemoration of the three hundredth anniversary of the founding of Harvard University.

TRAVELING AND SUBSISTENCE EXPENSES OF UNITED STATES JUDGES

The Senate proceeded to consider the bill (S. 4530) to amend the Subsistence Expense Act of 1926 by adding a new section to provide that section 259 of the Judicial Code, providing for traveling expenses of circuit justices, circuit and district judges actually incurred, and maintenance expenses in an amount not to exceed \$10 per day, shall not be construed to be modified or repealed in any respect by any section of the Subsistence Expense Act of 1926, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and to insert the following:

That section 259 of the Judicial Code (U. S. C., 1934 edition, title 28, sec. 374) is hereby reenacted, as follows:

"Sec. 259. The circuit justices, the circuit and district judges of the United States, and the judges of the district courts of the United States in Alaska, Hawaii, and Puerto Rico, shall each be allowed and paid his necessary expenses of travel, and his reasonable expenses (not to exceed \$10 per day) actually incurred for maintenance, consequent upon his attending court or transacting other official business in pursuance of law at any place other than his official place of residence, said expenses to be paid by the marshal of the district in which such court is held or official business transacted, upon the written certificate of the justice or judge. The official place of residence of each circuit and district judge, and of each judge of the district courts of the United States in Alaska, Hawaii, and Puerto Rico, shall be at that place nearest his actual residence at which either a circuit court of appeals or a district court is regularly held. Every such judge shall, upon his appointment, and from time to time thereafter whenever he may change his official residence, in writing notify the Department of Justice of his official place of residence."

SEC. 2. The judges of the United States Customs Court shall each be allowed and paid his necessary expenses of travel and his reasonable expenses, not to exceed \$10 per day, actually incurred for maintenance while absent from New York on official business.

SEC. 3. This act shall take effect July 1, 1936.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to reenact section 259 of the Judicial Code, relating to the traveling and subsistence expenses of circuit, district, and customs judges."

Mr. COPELAND. Mr. President, I desire to say just a word about the bill just passed. In my opinion, this is one of the most forward-looking pieces of legislation we have had before us. It will do away with the necessity of having new Federal judgeships established. Because of the increase in the subsistence allowance, it will be possible for judges from small districts to go to the larger districts and carry on the work of the courts. I am very happy indeed that the Senate has seen fit to pass the bill.

CONVEYANCE OF LAND TO CLACKAMAS COUNTY, OREG.

The Senate proceeded to consider the bill (H. R. 9485) to convey certain lands to Clackamas County, Oreg., for public park purposes, which had been reported from the Committee on Public Lands and Surveys with an amendment, on page 2, line 4, after the word "Provided", to strike out the words "That there shall be reserved to the United States, its patentees, or their transferees, the right to cut and remove therefrom the merchantable timber reserving to Clackamas County, Oreg., when such sale is made under the provisions of the act of June 9, 1916 (39 Stat. 218), a preference right to purchase the timber at the highest price bid," and to insert in lieu thereof the words, "That before

patent issues Clackamas County shall pay to the United States the appraised price for the timber on the said lands, the money so paid to be deposited in the Oregon and California land-grant fund for distribution in the manner provided by section 10 of the act of June 9, 1916 (39 Stat. 218)", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue a patent to Clackamas County, Oreg., on behalf of the United States, for the southeast quarter southwest quarter, the northeast quarter southwest quarter, and the northwest quarter southeast quarter section 11, township 4 south, range 2 east, Willamette meridian, in the State of Oregon, containing 120 acres, more or less, on condition that such county shall accept and use such lands solely for public-park purposes; but if such county shall at any time cease to use such lands for public-park purposes, or shall permit the use of such lands for any other purpose, or shall alienate or attempt to alienate them, they shall revert to the United States: *Provided*, That before patent issues Clackamas County shall pay to the United States the appraised price for the timber on the said lands, the money so paid to be deposited in the Oregon and California land-grant fund for distribution in the manner provided by section 10 of the act of June 9, 1916 (39 Stat. 218).

SEC. 2. The Secretary of the Interior shall prescribe all necessary regulations to carry into effect the foregoing provisions of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PURCHASE OF LAND BY SCAPPOOSE, OREG.

The Senate proceeded to consider the bill (H. R. 9654) to authorize the purchase by the city of Scappoose, Oreg., of a certain tract of public land vested in the United States under the act of June 9, 1916 (39 Stat. 218).

The bill had been reported from the Committee on Public Lands and Surveys with amendments, on page 1, line 4, after the word "patent", to strike out the words "upon payment of \$2.50 per acre, or fraction thereof"; on page 2, line 1, to strike out after the word "Provided", the words "That there shall be reserved to the United States, its patentees, or their transferees, the right to cut and remove therefrom the merchantable timber, which in the opinion of the Secretary of the Interior may be cut and removed without material damage to the city reservoir, reserving to said city of Scappoose, when such sale is made under the provisions of the act of June 9, 1916, a preference right to purchase the timber at the highest price bid", and to insert in lieu thereof the words "That before patent issues the city of Scappoose shall pay to the United States the appraised price for the timber on the said lands, the money so paid to be deposited in the Oregon and California land-grant fund for distribution in the manner provided by section 10 of the act of June 9, 1916 (39 Stat. 218)", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to issue a patent to the city of Scappoose, Oreg., for the northwest quarter of the northeast quarter and the northeast quarter of the northwest quarter of section 11, township 3 north, range 2 west, Willamette meridian, containing approximately 80 acres, subject to all valid existing rights at the time of the filing of the application by the city of Scappoose: *Provided*, That before patent issues the city of Scappoose shall pay to the United States the appraised price for the timber on the said lands, the money so paid to be deposited in the Oregon and California land-grant fund for distribution in the manner provided by section 10 of the Act of June 9, 1916, (39 Stat. 218).

SEC. 2. That the Secretary of the Interior shall prescribe all necessary regulations to carry into effect the foregoing provisions of this Act.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

CHESAPEAKE BAY BRIDGE

The bill (S. 4488) authorizing the Chesapeake Bay Authority to construct, maintain, and operate a toll bridge across the Chesapeake Bay, from a point in Baltimore County, Md., over Hart Island and Millers Island to a point near Tolchester, Kent County, Md., was considered, ordered

to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in order to promote interstate commerce, improve the Postal Service, and provide for military and other purposes, the Chesapeake Bay Authority, a public body created under the laws of the State of Maryland, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Chesapeake Bay, at a point suitable to the interests of navigation, from a point in Baltimore County, Md., over Hart Island and Millers Island to a point near Tolchester, Kent County, Md., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. The said Chesapeake Bay Authority is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 3. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including reasonable interest and financing cost, as soon as possible, under reasonable charges, but within a period of not to exceed 40 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the cost of the bridge and its approaches; the expenditures for maintaining, repairing, and operating the same; and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 4. The right to alter, amend, or repeal this act is hereby expressly reserved.

TEACHING OF COMMUNISM IN THE DISTRICT PUBLIC SCHOOLS

The bill (S. 4370) to repeal a proviso relating to teaching or advocating communism in the public schools of the District of Columbia, and appearing in the District of Columbia Appropriation Act for the fiscal year ending June 30, 1936, was announced as next in order.

Mr. MCKELLAR. Let that go over.

Mr. WHEELER. Mr. President, I hope the Senator will withdraw his objection.

Mr. MCKELLAR. Mr. President, I want to be perfectly frank with the Senator. I do not believe in communism, and I do not believe in its being taught in our schools, and I intend to object to this bill.

Mr. WHEELER. Mr. President, this bill has nothing to do with the teaching of communism in our schools. There is no Member in this body who believes in that. Every educational organization in the United States has endorsed the bill, and churches of all denominations have endorsed it.

SEVERAL SENATORS. Regular order!

Mr. MCKELLAR. Mr. President, I desire to quote the following from the report of the Committee on Education and Labor:

HISTORY OF "RED RIDER" PROVISION

The provision of law which this bill, S. 4370, is intended to repeal was inserted as a rider by the House conferees in the District of Columbia Appropriation Act for the fiscal year ending June 30, 1936, approved June 14, 1935, in the fourteenth paragraph thereof, under the heading "Public schools", subheading "Miscellaneous", and reads as follows:

"Provided, That hereafter no part of any appropriation for the public schools shall be available for the payment of the salary of any person teaching or advocating communism."

The inclusion of the word "teaching" rendered it uncertain as to whether the facts about communism as a part of the social, economic, and political system of Russia, or any other country, might be presented in teaching world history, or any social studies in the public schools. Consequently, the matter was referred by the Board of Education to the corporation counsel of the District of Columbia for his opinion as to whether the facts of communism, or the social, economic, or political system of Russia, or any other country, could be taught or presented by any of the teachers in the social studies of the high schools in the District of Columbia.

The corporation counsel rendered an opinion that " . . . any teaching of communism which has for its purpose or its intended effect the nurture, the training, or the indoctrination of the pupils in communistic thought is forbidden by this statute. But I am of the opinion that the mere informing of pupils concerning the history, existence, or theories of the communistic governments, or parties, is not prohibited."

This opinion, apparently, was not concurred in by the Comptroller General of the United States, who ruled, in effect, that the teachers should not be permitted to teach the facts of communism by his decision. By his decision, there is now required a written statement by every teacher, prior to every salary payment, that during the preceding period of time to which the payment relates, he had not taught or advocated communism in any school of the District of Columbia, or elsewhere.

The result is that some 4,000 declarations must be checked over before the pay rolls for teachers are made out each pay day. If a teacher is ill or absent when the declarations are taken, she cannot get her pay until she has signed one. If any teacher were to violate this oath, she would be dealt with instantly and summarily.

The bill is designed to repeal the provision of law quoted, and I object to it.

Mr. WALSH. Mr. President—

The PRESIDING OFFICER. The regular order has been demanded.

Mr. WALSH. I ask unanimous consent to be allowed to make a very brief statement.

The PRESIDING OFFICER. Without objection, the Senator from Massachusetts is recognized.

Mr. WALSH. One of the many reasons behind the demand for the enactment of this measure is that the Comptroller General, by a decision, now requires a written statement by every teacher, prior to every salary payment, that during the preceding period of time to which the payment relates, he had not taught or advocated communism in any school of the District of Columbia, or elsewhere.

The result is that some 4,000 declarations must be checked over before the pay rolls for teachers are made out each pay day. If a teacher is ill or absent when the declarations are taken, she cannot get her pay until she has signed one. It is ridiculous and absurd, and I hope that when the calendar is called again the Senator will withdraw his objection.

Mr. GLASS. Mr. President, the practice of which the Senator complains is the fault of the administrative officers. There is nothing in the law which requires anything like that.

SEVERAL SENATORS. Regular order!

The PRESIDING OFFICER. The regular order is demanded, and the clerk will state the next bill on the calendar.

Mr. WALSH subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD the report of the committee on Senate bill 4370.

There being no objection, the report (No. 2126) was ordered to be printed in the RECORD, as follows:

[Report to accompany S. 4370]

The Committee on Education and Labor, to whom was referred the bill (S. 4370) to repeal a provision relating to teaching or advocating communism in the public schools of the District of Columbia Appropriation Act for the fiscal year ending June 30, 1936, having considered the same, report favorably thereon with the recommendation that the bill do pass without amendment.

HISTORY OF "RED RIDER" PROVISION

The provision of law which this bill, S. 4370, is intended to repeal was inserted as a rider by the House conferees in the District of Columbia Appropriation Act for the fiscal year ending June 30, 1936, approved June 14, 1935, in the fourteenth paragraph thereof, under the heading "Public schools", subheading "Miscellaneous", and reads as follows:

"Provided, That hereafter no part of any appropriation for the public schools shall be available for the payment of the salary of any person teaching or advocating communism."

The inclusion of the word "teaching" rendered it uncertain as to whether the facts about communism as a part of the social, economic, and political system of Russia, or any other country, might be presented in teaching world history, or any social studies in the public schools. Consequently, the matter was referred by the Board of Education to the corporation counsel of the District of Columbia for his opinion as to whether the facts of communism, or the social, economic, or political system of Russia, or any other country, could be taught or presented by any of the teachers in the social studies of the high schools in the District of Columbia.

The corporation counsel rendered an opinion that—

" . . . any teaching of communism which has for its purpose or its intended effect the nurture, the training, or the indoctrination of the pupils in communistic thought is forbidden by this statute. But I am of the opinion that the mere informing of pupils concerning the history, existence, or theories of the communistic governments, or parties, is not prohibited."

This opinion, apparently, was not concurred in by the Comptroller General of the United States, who ruled, in effect, that

the teachers should not be permitted to teach the facts of communism by his decision. By his decision, there is now required a written statement by every teacher, prior to every salary payment, that during the preceding period of time to which the payment relates, he had not taught or advocated communism in any school of the District of Columbia, or elsewhere.

The result is that some 4,000 declarations must be checked over before the pay rolls for teachers are made out each pay day. If a teacher is ill or absent when the declarations are taken, she cannot get her pay until she has signed one. If any teacher were to violate this oath, she would be dealt with instantly and summarily.

HOUSE COMMITTEE ACTION

Hearings on a similar bill (H. R. 11375) to repeal this so-called "red rider" were held by the Subcommittee on Education of the House Committee on the District of Columbia. In an excellent report (H. Rept. No. 2593) the committee unanimously recommended to the House the passage of the repeal amendment.

THE SENATE COMMITTEE REASONS FOR FAVORING THE REPEAL OF THE "RED RIDER"

First, the "red rider" should be repealed in the interest of the pupils of the public schools of the District of Columbia. These young persons should have the opportunity of getting acquainted with the principles of communism as well as with the principles of any other important economic or political system. If pupils do not learn about such movements in the schools, they will hear about them from partisan sources and will be more likely to look with favor upon the proposals of communism than if they obtained their instruction from competent and impartial teachers in the schools.

Second, the present bill should be enacted for the sake of the teachers in schools of the District of Columbia. The "red rider" has placed upon them an unjust stigma. In all the testimony that has been produced at congressional hearings, no reliable indications have appeared that any teacher in the District schools believes in communism—to say nothing about teaching it. The implication created by the "red rider", that the teachers need such a restraint, is gratuitous, ungenerous, and unworthy of the Congress of the United States.

Third, the "red rider" is likewise unfair to the School Board of the District of Columbia. This agency has the responsibility of protecting the pupils against doctrines in the classroom which are contrary to morality, patriotism, or the law of the land. No evidence has been produced tending to show that the School Board has been unfaithful to this responsibility. The contrary assumption which is carried in the "red rider" is a gratuitous insult to the Board.

Fourth, the extraordinary enactment which the present bill seeks to repeal is out of harmony with the American tradition of freedom of speech and teaching. According to this tradition, the freedom to express and teach wrong doctrines is a lesser evil than a policy of repression, that is to say, it is a smaller practical evil. The policy of repressing can easily be extended to cover doctrines which are beneficial to public welfare, merely on the ground that they are new or "radical." This situation has actually arisen in the congressional hearings on the "red rider"; for several apparently responsible persons have denounced well-known textbooks by well-known American historians on the ground that they are communistic, whereas they are merely progressive and speak in a friendly way of moderate measures of social and economic reform.

Fifth, the "red rider" is futile, since teachers who believe in communism (if there be any such in the public schools of the District of Columbia) will have no moral scruple against teaching communism in the schools and then taking an oath that they have not done so.

Sixth, as long as this astounding enactment remains unrepealed it will constitute a bad example for the legislatures of our several States. As long as it remains a part of the law of the District of Columbia, it will continue to hold the Congress in reproach in the eyes of all Americans who are faithful to American traditions and who possess common sense.

DANGEROUS PRECEDENT

The greatest danger to education lies in the attempt, under the guise of patriotism, to suppress freedom of teaching, inquiry, and discussion. If statutes such as this are to be enacted, it would not be long before similar encroachments were imposed upon teachers in private schools, and then extended to require that such teachers shall not teach any particular kind of religion, or the principle of any political party, such as the Democratic, Republican, or the Farmer-Labor Parties. As has been pointed out by Dr. Robert M. Hutchins, president of the University of Chicago, any attempt to insure patriotism by oaths would have to require not only all teachers, but preachers, radio performers, newspapermen, movie directors, comic artists, and, most certainly, parents themselves to swear fealty.

Furthermore, a statute such as this is detrimental to the morale of the teachers and the students in the city of Washington. It is impossible to have a satisfactory relation between teacher and pupil when the latter knows that the teacher is forbidden to discuss certain subjects, such as Russia or communism. The consequence is that when these subjects are reached in the history and civics classes, the teachers are confronted by a law which forbids them to give the facts. Even in geography classes, teachers have omitted mention of Russia in the study of Europe. Indeed, evidence has been presented to members of the committee to the

effect that in a few instances children in the public schools of Washington, whose parents are suspected of entertaining communistic views, have heckled teachers by asking them apparently innocent questions in regard to Russia and its present form of government, they knowing the restrictions upon the teachers. Of course, teachers may "explain" communism if they do not "advocate" it, but the testimony before the House committee indicates that no teacher would dare take advantage of this for fear of misrepresentation and resultant loss of employment. Whereas once teachers directed the minds of the children to the superiority of our institutions over the communistic, now this opportunity is lost, as they omit the section devoted to the Soviet Union.

ARGUMENTS OF OPPOSITION

The opposition to the "red rider" provision is based upon grounds that relate in no way to the merits or demerits of doctrines that are obnoxious to every member of the committee.

Those outside the Congress who favor the repeal of this clause have been as vigorous in denouncing the principles of communism as have the most vigorous advocates of the "red rider." Furthermore, the repeal of this provision would not give the Board of Education of the District of Columbia or the teachers authority or encouragement to advocate communism. In the opinion of the committee, the effect would be exactly to the contrary.

If the Senate supports the view of the committee and this law is repealed, the Board of Education will have full responsibility, which it should militantly exercise in preventing the use of radical textbooks in the schools and the employment of teachers inculcating subversive doctrines into the minds of the school children of Washington.

The committee have not overlooked the fact that the minds of pupils are impressionable and that they may be easily influenced by the crusading spirit of one who teaches subversive doctrines. Undoubtedly there are throughout the country students in colleges and universities, and perhaps in some high schools, who have been induced to join organizations where communistic policies are advocated. Such organizations and practices are regrettable and should be stamped out, but requiring an oath will not do it.

CONCLUSION

It is a satisfaction that no State has imitated the ill-advised law which Congress allowed to be placed in the school system of the District of Columbia. It is to be borne in mind that this language was inserted when the District of Columbia appropriation bill was in conference, and it was enacted without discussion and without advertence by a great majority of the Members of Congress—a reflection upon our national lawmakers. This injurious imputation cannot be removed too soon.

ELECTIONS IN PUERTO RICO

The Senate proceeded to consider the bill (S. 4528) to regulate the conduct of elections in Puerto Rico, which had been reported from the Committee on Territories and Insular Affairs with amendment, in section 4, on page 3, line 15, after the word "equal", to insert the word "voting"; on line 16, after the word "elections", to insert the words "throughout the election process"; on page 4, line 3, after the word "district" and the period, to insert the words: "In order to give full force and effect to the policy and intention of this section, not only in the election itself but throughout the election process, voting representation in the insular board of election and the local boards of election shall be as per the situation existing during the last preceding election in the island and in each senatorial and representative district thereof, until candidates for the next election shall have been duly nominated and registered", so as to make the bill read:

Be it enacted, etc., That the general election to be held in the island of Puerto Rico on the first Tuesday after the first Monday of November 1936, and all processes related thereto, shall be carried out as determined by the legislative authority of Puerto Rico: *Provided,* That only citizens, male or female, registered in the Federal census of 1935-36 as being 21 years of age or over at the time of the election and who shall otherwise be qualified to vote, shall be entitled to vote in said election: *And provided further,* That the voting shall take place in enclosures, whether in buildings or in the open, in the following manner:

All voters except candidates and other persons for whom the laws of Puerto Rico make special provision must be within their polling place at noon, after which time no other person shall be allowed to enter the polling place for the purpose of voting. Upon entering the polling place, voters will receive a numbered card entitling them to vote in the order of their arrival. Voting shall then proceed as prescribed by law, the names being called from the list and the voting carried out secretly as prescribed by law. After voting each voter shall be allowed to leave the polling place. The election will continue in each polling place until every citizen therein, who has not been challenged according to law, shall have cast his or her vote.

The Governor of Puerto Rico may by proclamation change the time limit herein prescribed, and provide for the separate assembling and voting of men and women, if in his judgment such

action would be conducive to more orderly voting, and may likewise prescribe the time limits for the voting of the men and for the voting of the women; but such action shall not be taken after the 1st of September preceding the election, nor without the consent of every political party represented on the board of elections, said consent to be given through unanimous resolution of said board.

SEC. 2. Any person who shall interfere with or attempt to prevent voting in the manner prescribed herein or by the laws of Puerto Rico shall be guilty of a felony and punished by imprisonment for not more than 5 years and not less than 1 year. The United States District Court for Puerto Rico and the insular district courts shall have concurrent jurisdiction over cases arising under this law.

SEC. 3. All provisions of this law, excepting the ones related to the Federal census of 1935-36, shall apply to all future elections in Puerto Rico.

SEC. 4. No law regulating elections shall be enacted by the legislative authority of Puerto Rico by virtue of which any candidate for the office of Resident Commissioner or for the insular senate or for the insular house of representatives is denied equal voting representation in the insular board of elections throughout the election process, the local boards of election throughout the election process, and in each polling place on election day, with other candidates running for the same office. This provision shall apply to candidates appearing on the ticket of any party which polled 10 percent or more of the entire vote of the island for Resident Commissioner in the last preceding election: *Provided*, That in each senatorial or representative district in which all parties have different candidates for the same office, each candidate shall be entitled to full representation in the local election boards, and in all polling places, within that district. In order to give full force and effect to the policy and intention of this section, not only in the election itself but throughout the election process, voting representation in the insular board of election and the local boards of election shall be as per the situation existing during the last preceding election in the island and in each senatorial and representative district thereof, until candidates for the next election shall have been duly nominated and registered. Any law or portion of law contrary to this section shall not be valid.

SEC. 5. The insular board of election, with the approval of the Governor, shall have power to make rules and regulations for the carrying out of the provisions of this act.

The amendments were agreed to.

Mr. COPELAND. Mr. President, I should like to ask the Senator from Maryland whether it is necessary to have this elaborate bill in order to insure safe elections in Puerto Rico.

Mr. TYDINGS. It is. A few days ago I put into the RECORD a statement of the registrations in Puerto Rico, showing that in about 10 or 15 large cities the registrations amounted from 120 to 130 percent of the population. I am advised by responsible Puerto Rico leaders that unless such a bill as this shall be enacted there will be serious bloodshed in the elections which are to be held the coming fall. As I recall, about 17 persons were shot at the time of the last election, and Governor Winship has called a special session of the legislature to meet in anticipation of the enactment of this measure.

Mr. COPELAND. Mr. President, I hope the Senator will remember that my colleague and I are really Senators from Puerto Rico, and we hope that the chairman of the Committee on Territories and Insular Affairs will bear that in mind, because whatever touches the interests of Puerto Rico touches us.

Mr. TYDINGS. Let me say to the Senator from New York that the committee has borne that in mind. I believe that the overwhelming preponderance of opinion in Puerto Rico is in favor of the enactment of the pending bill.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

COMMITTEE TO STUDY PUERTO RICAN INDEPENDENCE

The joint resolution (S. J. Res. 270) to provide for the appointment of a committee to study the question of Puerto Rican independence was announced as next in order.

Mr. COPELAND. Mr. President, may I ask the Senator from Maryland the significance of this joint resolution dealing with Puerto Rico?

Mr. TYDINGS. I shall be glad to inform the Senator. The administration is very anxious before any specific action is taken touching Puerto Rico that the matter be thoroughly

investigated, and the joint resolution provides that a commission be created, four members to be appointed by the President of the Senate, four members by the Speaker of the House of Representatives, one member by the Secretary of State, one member by the Secretary of the Interior, and one member by the special executive authority of each of the four major registered political parties in Puerto Rico. Every point of view and statement of fact thereby will be available, and before the Senate takes any action we will have the whole picture before us. The commission is to be a fact-finding commission.

Mr. COPELAND. Mr. President, I find myself in sympathy with the measure. I thought it was a very precipitous thing to introduce a joint resolution providing for independence for the Puerto Rican people. The pending bill, I assume, is intended to provide for investigation and study of the situation.

Mr. TYDINGS. It gives every person his day in court.

Mr. COPELAND. I have no objection.

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 270) to provide for the appointment of a committee to study the question of Puerto Rican independence, which had been reported from the Committee on Territories and Insular Affairs with an amendment, in section 1, page 1, line 3, after "committee of", to strike out "seventeen" and insert in lieu thereof "fifteen"; on the same page, line 6, after "President", to strike out "one member" and insert in lieu thereof "four members"; in line 7, after "Senate", to strike out "one member" and insert "four members", so as to make the joint resolution read:

Resolved, etc., That there is hereby created a committee of 15 members to study the question of Puerto Rican independence, to be composed of a chairman to be appointed by the President, four members appointed by the President of the Senate, four members appointed by the Speaker of the House of Representatives, one member appointed by the Secretary of State, one member appointed by the Secretary of the Interior, and one member appointed by the central executive authority of each of the four major registered political parties in Puerto Rico, namely, the Liberal Party, the Republican Party, the Socialist Party, and the Nationalist Party.

SEC. 2. Said committee shall study the question of Puerto Rican independence in all its aspects, including the financial and economic relationships best suited to both the United States and Puerto Rico under such independence, and, in general, to inquire into the present and future relations between the United States and Puerto Rico. Said committee shall render its report to the President of the United States not later than January 20, 1937, and the President shall, within 30 days after receipt thereof, transmit said report, together with his recommendations thereon to the Congress.

SEC. 3. Said committee may hold hearings in the United States and in Puerto Rico. The members of the committee shall serve without compensation, but shall be reimbursed for all reasonable expenses incurred pursuant hereto, including traveling expenses, necessary clerical and stenographic assistance, and such other services as may be necessary or desirable to effectuate the purposes of this joint resolution.

SEC. 4. There is hereby authorized to be appropriated the sum of \$25,000 to cover the necessary expenses of said committee, including traveling expenses, rent in the District of Columbia and elsewhere, personal services in the District of Columbia and elsewhere, and contract stenographic reporting services.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

TRANSPORTATION OF PERSONS SERVING UNITED STATES IN VIRGIN ISLANDS

The bill (H. R. 7025) authorizing the Secretary of the Interior to furnish transportation to persons in the service of the United States in the Virgin Islands, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

TERM OF DISTRICT COURT, CLINTON, OKLA.

The bill (S. 4352) to provide for the establishment of a term of the District Court of the United States for the Western District of Oklahoma at Clinton, Okla., was considered,

ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That a term of the District Court of the United States for the Western District of Oklahoma shall be held annually at Clinton, Okla., on the first Monday in October: *Provided,* That suitable rooms and equipment for holding court at Clinton shall be furnished without expense to the United States.

EXTENSION OF LAWS TO PUERTO RICO

The Senate proceeded to consider the bill (H. R. 1392) to extend the provisions of certain laws to the island of Puerto Rico, which had been reported from the Committee on Territories and Insular Affairs with amendments, on page 1, line 4, after "the" to strike out "island" and to insert "Territory"; on the same page, line 11, after the words "and the" to strike out "island" and insert "Territory"; and at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That beginning with the fiscal year ending June 30, 1938, the Territory of Puerto Rico shall be entitled to share in appropriations now or which may hereafter become available for apportionment under the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes", approved July 11, 1916, and any act amendatory thereof or supplementary thereto, upon the same terms and conditions as any of the several States, and the Territory of Puerto Rico shall be included in the calculations to determine the basis of apportionment of such funds: *Provided,* That the system of roads on which Federal-aid apportionments to the Territory of Puerto Rico shall be expended may be determined and agreed upon by the highway departments of said Territory and the Secretary of Agriculture without regard to the limitations in section 6 of the Federal Highway Act respecting the selection and designation of such system of roads; and, when the system first determined and agreed upon shall have been completed, additions thereto may be made in like manner as funds become available for the construction and maintenance of such additions.

Mr. COPELAND. Mr. President, I think by the bill it is intended to extend to Puerto Rico the privileges now enjoyed by the States, and therefore it seems desirable.

The PRESIDING OFFICER. The question is on agreeing to the amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AIR CORPS OF THE UNITED STATES ARMY

The Senate proceeded to consider the bill (H. R. 11140) to provide more effectively for the national defense by further increasing the effectiveness and efficiency of the Air Corps of the Army of the United States, which had been reported from the Committee on Military Affairs with an amendment, on page 2, line 4, after the word "*Provided*", to strike out "That of the increase authorized herein not to exceed 4,000 serviceable airplanes, including equipment and accessories, shall be attained at any time during the next 5 years" and to insert in lieu thereof "That of the increase authorized herein not to exceed 2,320 serviceable airplanes, including equipment and accessories, are authorized to be obtained immediately", so as to make the bill read:

Be it enacted, etc., That the authorized strength in airplanes, equipment, and accessories of the Army Air Corps established by the act approved July 2, 1926 (44 Stat. 780), is hereby increased to such numbers as will permit the Secretary of War to complete the equipment and organization and to maintain in the Army Air Corps the special Army air organization known as G. H. Q. Air Force, and our overseas defenses, together with a 25-percent reserve for such forces, and to procure such other airplanes and equipment, including spare parts, supplies, and accessories, for such other purposes as are necessary to provide for the mission of the Army Air Corps: *Provided,* That of the increase authorized herein not to exceed 2,320 serviceable airplanes, including equipment and accessories, are authorized to be obtained immediately.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

REGULATION OF FLOW OF WATERS AND STREAMS

The joint resolution (H. J. Res. 377) to enable the States of Maine, New Hampshire, New York, Vermont, Massachusetts, Rhode Island, Connecticut, Pennsylvania, West Vir-

ginia, Kentucky, Indiana, Illinois, Tennessee, and Ohio to conserve and regulate the flow of and purify the waters of rivers and streams whose drainage basins lie within two or more of the said States, was considered, ordered to a third reading, read the third time, and passed.

JOHN B. H. WARING

The bill (H. R. 10785) for the relief of John B. H. Waring was considered, ordered to a third reading, read the third time, and passed.

MRS. G. A. BRANNAN

The bill (H. R. 2501) for the relief of Mrs. G. A. Brannan was considered, ordered to a third reading, read the third time, and passed.

DELAWARE RIVER BRIDGE, BARRYVILLE, N. Y., TO SHOHOLA, PA.

The bill (S. 4709) authorizing the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Delaware River between points in the village of Barryville, Sullivan County, N. Y., and the village of Shohola, Pike County, Pa., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania be, and is hereby, authorized to reconstruct, maintain, and operate a free highway bridge and approaches thereto across the Delaware River between points in the village of Barryville, Sullivan County, N. Y., and the village of Shohola, Pike County, Pa., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation thereof, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

DELAWARE RIVER BRIDGE, HANCOCK, N. Y.

The bill (S. 4710) authorizing the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the West Branch of the Delaware River between a point in the vicinity of the village of Hancock, Delaware County, N. Y., and a point in the town of Buckingham, Wayne County, Pa., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania be, and is hereby, authorized to reconstruct, maintain, and operate a free highway bridge and approaches thereto across the West Branch of the Delaware River, at a point suitable to the interests of navigation, at or near the vicinity of Hancock, Delaware County, N. Y., and a point in the town of Buckingham, Wayne County, Pa., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the

same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this Act is hereby expressly reserved.

SEVENTIETH NATIONAL ENCAMPMENT, G. A. R.

The joint resolution (H. J. Res. 465) to amend the joint resolution of July 18, 1935, relating to the Seventieth National Encampment of the Grand Army of the Republic, to be held in the District of Columbia in September 1936, was considered, ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That section 1 of the joint resolution entitled "Joint resolution giving authority to the Commissioners of the District of Columbia to make special regulations for the occasion of the Seventieth National Encampment of the Grand Army of the Republic, to be held in the District of Columbia in the month of September 1936, and for other purposes, incident to the said encampment", approved July 18, 1935, is hereby amended to read as follows:

"That the Commissioners of the District of Columbia are hereby authorized and directed to make such special regulations for the occasion of the encampment of the Grand Army of the Republic which shall take place in the District of Columbia during the month of September 1936 as they shall deem advisable for the preservation of public order and the protection of life and property, to be in force 1 week prior to said encampment, during said encampment, and 1 week subsequent thereto, such special regulations shall be published in one or more of the daily newspapers of the District of Columbia, and no penalty prescribed for the violation of such regulations shall be enforced until 5 days after such publication. Any person violating any of the aforesaid regulations, or the aforesaid schedule of fares, shall, upon conviction thereof in the police court of the said District, be liable for such offense to a fine not to exceed \$100, and in default of payment of such fine to imprisonment in the workhouse (or jail) of said District for not longer than 60 days. This resolution shall take effect immediately upon its approval, and the sum of \$15,000, or as much thereof as may be necessary, payable from any money in the Treasury not otherwise appropriated and from the revenues of the District of Columbia in equal parts, is hereby appropriated. The Commissioners of the District of Columbia are hereby authorized, in conjunction with the citizens' executive committee of the Grand Army of the Republic, who shall be appointed by the said Commissioners, to expend the said sum of \$15,000 to carry out the provisions of section 1 of this joint resolution, and for such expenses incident to the encampment as the said Commissioners, in their discretion and judgment, may deem advisable."

SEC. 2. That portion of section 5 of such joint resolution of July 18, 1935, which precedes the first proviso is amended to read as follows:

"Sec. 5. That the Superintendent of National Capital Parks, subject to the approval of the Director of National Park Service, is hereby authorized to grant permits to the citizens' executive committee for the entertainment of the Grand Army of the Republic for the use of any reservation or other public spaces in the city of Washington on the occasion of the seventieth national encampment, in the month of September 1936, which, in his opinion, will inflict no serious or permanent injuries upon such reservations or public spaces, or statutory therein; and the Commissioners of the District of Columbia may designate for such and other purposes on the occasion aforesaid such streets, avenues, and sidewalks in the said city of Washington as they may deem proper and necessary for the erection of reviewing stands, platforms, or other structures, and that no person or corporation shall be authorized to erect or use such stands, platforms, or other structures without permission of said committee:"

CHALMETTE NATIONAL MONUMENT, LA.

The Senate proceeded to consider the bill (H. R. 5368) to provide for the addition of certain lands to the Chalmette National Monument in the State of Louisiana, and for other purposes, which had been reported from the Committee on Public Lands and Surveys with amendments, in section 1, page 1, line 4, after "condemnation", to insert "out of any funds allocated or appropriated for the purpose or"; in line 6, after "funds", to strike out "and/or accept by donation, in behalf of the United States"; in line 7, after "easements, and", to strike out "buildings within 10 miles" and to insert "buildings, not to exceed an area of 98 acres in addition to the present area of 32 acres", so as to make the section read:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to acquire, by purchase or by condemnation, out of any funds allocated or appropriated for the purpose or out of any donated funds, lands, easements, and buildings, not to exceed an area of 98 acres in addition to the present area of 32 acres, of the boundaries of the Chalmette National Monument as shall be designated by the Secretary of the Interior as necessary or desirable for the extension of said monument, and/or maintenance thereof, the title and evidence of title to lands acquired to

be satisfactory to the Secretary of the Interior: *Provided*, That the State of Louisiana shall cede and transfer its jurisdiction to the property on which said monument is to be completed in accordance with the provisions of act no. 41 of the legislature of that State, approved July 19, 1902.

The amendment was agreed to.

The next amendment was, on page 2, line 10, to strike out section 2, as follows:

SEC. 2. That the areas now within the Chalmette National Monument and the Chalmette National Cemetery, together with such additions as may hereafter be made thereto, shall be known as the "Chalmette National Historical Park", under which name the aforesaid national park shall be entitled to receive and to accept all moneys heretofore or hereafter appropriated for the Chalmette National Monument and the Chalmette National Cemetery.

The amendment was agreed to.

The next amendment was, on page 2, line 18, to strike out section 3, as follows:

SEC. 3. The administration, protection, and development of the aforesaid national historical park shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the provisions of the act of August 25, 1916, entitled "An act to establish a National Park Service, and for other purposes", as amended.

The amendment was agreed to.

The next amendment was, on page 3, line 1, to insert a new section, as follows:

SEC. 2. There is hereby authorized to be appropriated the sum of \$275,000, or so much thereof as may be necessary, for the purpose of carrying out the provisions of this act.

The amendment was agreed to.

The next amendment was, on page 3, line 4, to renumber section 4.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time and passed.

GEORGE W. MIDDLETON

The Senate proceeded to consider the bill (S. 4293) for the relief of George W. Middleton, which had been reported from the Committee on Military Affairs, with an amendment, on page 1, line 11, after "prior to", to insert "or after", so as to make the bill read:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, George W. Middleton, who was a member of the Sixth Company, Coast Artillery Corps, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of that organization on September 17, 1919: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to or after the passage of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 4581) authorizing the payment of certain salaries and expenses of employees of the General Land Office was announced as next in order.

Mr. McKELLAR. Mr. President, this is a very unusual bill. Without explanation, let it be passed over.

The PRESIDING OFFICER. The bill will be passed over.

JOHN EASTER HARRIS

Mr. FLETCHER. Mr. President, I ask the Senator from Tennessee [Mr. McKELLAR] if he is willing that the Senate recur to Calendar No. 2056, being Senate bill 3041?

Mr. McKELLAR. I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida?

There being no objection, the Senate proceeded to consider the bill (S. 3041) to authorize the appointment of John Easter Harris as a major, Corps of Engineers, Regular Army, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That upon the occurrence of a vacancy in the grade of major in the Regular Army such vacancy may be filled by the appointment by the President, by and with the advice and consent of the Senate, of John Easter Harris, if found physically

qualified, as a major, Corps of Engineers, Regular Army, the rank held by him at the time of his separation from the service: *Provided*, That no pay or allowances antedating an acceptance under an appointment pursuant to this act shall accrue thereunder.

HARDING TOWN SITE, FLORIDA

The bill (S. 4707) for the relief of certain purchasers of lots in Harding town site, Florida, and for the relief of the heirs of Lewis G. Norton, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to issue a patent to any person who, as a result of an auction sale of lots in Harding town site, Florida, conducted during February 1924 by a representative of the Department of the Interior, agreed to purchase a lot in such town site and who, (1) prior to the date of approval of this act, has paid to the United States 75 percent or more of the agreed purchase price of such lot, or (2) within 12 months after the date of approval of this act makes payment to the United States which, together with payment previously made, amounts to 75 percent of the agreed purchase price of such lot.

Sec. 2. As used in this act, the term "person" includes an individual, partnership, corporation, or association.

Sec. 3. In view of the equities appearing in the decision of the United States District Court for the Southern District of Florida in the case of *United States v. Norton*, no. 2885 (14 Fed. (2d) 184), the unsold lots in said Harding town site, being lot 1 of block 4, lot 6 of block 5, lot 14 of block 7, and lots 4 and 11 of block 10, are hereby granted to the heirs of Lewis G. Norton, and the Secretary of the Interior is hereby authorized and directed to issue a patent therefor to the said heirs. This grant is made in satisfaction of all claims by the heirs against the United States in connection with said town site.

SNOQUALMIE NATIONAL FOREST, WASH.

The Senate proceeded to consider the bill (S. 4393) to authorize the revision of the boundaries of the Snoqualmie National Forest, in the State of Washington, which had been reported from the Committee on Public Lands and Surveys with an amendment to strike out all after the enacting clause and to insert:

That any lands which are in private ownership within the following-described area, which are found by the Secretary of Agriculture to be chiefly valuable for national-forest purposes, may be offered in exchange under the provisions of the act of March 20, 1922 (42 Stat. 465), as amended by the act of February 28, 1925 (43 Stat. 1090), and upon acceptance of title shall become part of the Snoqualmie National Forest; and any lands in public ownership lying within such described area found to be valuable for national-forest purposes may, upon recommendation of the Secretaries of Agriculture and of the Interior, be added to the Snoqualmie National Forest by proclamation of the President, subject to valid existing claims:

Township 20 north, range 7 east, sections 1 and 12;
Township 21 north, range 7 east, sections 1, 12, 13, 24, 25, 36;
Township 20 north, range 8 east, sections 1 to 30, inclusive, and sections 20 to 24, inclusive;
Township 21 north, range 8 east, all;
Township 20 north, range 9 east, sections 7 to 15, inclusive;
Township 20 north, range 10 east, sections 7, 13, 17 to 24, inclusive, sections 27, 28, and 29;
Township 27 north, range 10 east, west half section 16, all section 17, east half section 18, northeast quarter section 19, north half section 20, northwest quarter section 21;
Township 20 north, range 11 east, sections 17, 18, and 19;
All Willamette base and meridian.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CRATERS OF THE MOON NATIONAL MONUMENT, IDAHO

The bill (H. R. 7930) to eliminate certain lands from the Craters of the Moon National Monument, Idaho, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the north half and north half of the south half section 16, township 2 north, range 24 east, Boise meridian, Idaho, be, and the same are hereby, eliminated from the Craters of the Moon National Monument.

MAMMOTH CAVE NATIONAL PARK, KY.

The Senate proceeded to consider the bill (H. R. 11791) to make available for national-park purposes certain lands within the area of the proposed Mammoth Cave National Park, Ky., which had been reported from the Committee on Public Lands and Surveys with an amendment, in section 1, page 1, line 10, after "purpose", to insert "and the

proviso at the end of section 1 of said act of May 25, 1926, is hereby repealed", so as to make the section read:

Be it enacted, etc., That all lands purchased from funds heretofore allocated and made available by Executive order, or otherwise, or which hereafter may be allocated and made available for the acquisition of lands for conservation of forestation purposes within the maximum boundaries of the Mammoth Cave National Park as authorized by the act of May 25, 1926 (44 Stat. 635), be, and the same are hereby, made a part of the said park as fully as if originally acquired for that purpose and the proviso at the end of section 1 of the said act of May 25, 1926, is hereby repealed.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 12220) to authorize the adjustment of the boundary of the Fort Marion National Monument, Florida, in the vicinity of Fort Marion Circle, and for other purposes, was announced as next in order.

Mr. COPELAND. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

G. A. TROTTER

The bill (S. 4616) for the relief of G. A. Trotter was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the accounts of G. A. Trotter, former superintendent and special disbursing agent of the Zuni Indian Agency, for payments aggregating \$102.40 made to Will Halloran as mileage for the use of his personally owned automobile while performing his official duties as road supervisor in the Indian Service.

KICKAPOO INDIANS OF OKLAHOMA

The Senate proceeded to consider the bill (S. 4152) validating certain conveyances by Kickapoo Indians of Oklahoma made prior to February 17, 1933, providing for actions in partition in certain cases, which had been reported from the Committee on Indian Affairs with amendments, in section 1, page 1, line 3, after "conveyances", to insert "made to Ira L. Couch, A. J. Ownby, Fred L. Rooker, Wallace Estell, Jr., J. D. Shepherd, or any of them, or to their grantors"; on the same page, line 8, after the word "quarter", to insert "of northwest quarter"; on page 2, line 17, after "were", to insert "made after September 11, 1922, and"; and in line 20, after the date "1933", to strike out "or to have been" and to insert "are hereby", so as to make the section read:

Be it enacted, etc., That all conveyances made to Ira L. Couch, A. J. Ownby, Fred L. Rooker, Wallace Estell, Jr., J. D. Shepherd, or any of them, or to their grantors purporting to convey an inherited interest in Kickapoo lands allotted in Oklahoma in and to the following-described real estate, to wit: The northeast quarter of northwest quarter, and lot 1 of the northwest quarter section 19, township 12 north, range 2 east; lot 11, northeast quarter section 17, and lot 3, northeast quarter section 18, and lot 3, northeast quarter section 20, and lot 2, northwest quarter section 20, and lot 2, northeast quarter section 18, township 12 north, range 1 east; the north half southeast quarter section 19, township 11 north, range 3 east; the northwest quarter southeast quarter and lot 2 of the southeast quarter section 8, township 12 north, range 1 east; lot 4 of section 16, lot 5 of section 17, and lot 1 of section 20, township 12 north, range 1 east; lots 3 and 4 of the northeast quarter section 7, township 12 north, range 1 east; west half southeast quarter section 3, township 11 north, range 2 east; east half southeast quarter section 3, township 11 north, range 2 east; east half northeast quarter section 10, township 11 north, range 2 east; lots 7 and 8 of the southeast quarter section 13, township 11 north, range 2 east; the north half southeast quarter section 4, township 11 north, range 2 east, where such instrument or instruments were made after September 11, 1922, and recorded in the office of the registrar of deeds for the county in which said lands are located, prior to February 17, 1933, are hereby ratified and confirmed as valid conveyances of an inherited interest.

The amendment was agreed to.

The next amendment of the Committee on Indian Affairs was, in section 2, page 3, line 12, after "therein", to insert "except where such grantee is a restricted Indian", so as to make the section read:

Sec. 2. That any such grantee, his heirs or assigns, in any such deed conveying an undivided interest to any part of said land may maintain a suit to partition the same against any restricted Indian who is a part owner of said lands in the United States

District Court for the Western District of Oklahoma in accordance with the law governing partitions in the State of Oklahoma. The United States shall be made a party to such action, and jurisdiction is hereby conferred upon such court to hear and determine such causes, and service may be had on the United States by serving one copy of the petition or bill in equity on the United States attorney for the western district of Oklahoma 41 days before said cause is set for trial, and any conveyance ordered made by said court in such proceedings shall operate to remove all restrictions on the lands conveyed to the grantee therein, except where such grantee is a restricted Indian.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOINT RESOLUTIONS PASSED OVER

The joint resolution (H. J. Res. 415) to carry out the intention of Congress with reference to the claims of the Chippewa Indians of Minnesota against the United States was announced as next in order.

Mr. McKELLAR. Mr. President, this seems to be contrary to the recommendations of the Department, and I ask that it go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The joint resolution (S. J. Res. 207) to amend the act of July 3, 1926, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in claims which the Crow Tribe of Indians may have against the United States, and for other purposes" (44 Stat. L. 807) was announced as next in order.

Mr. COPELAND. I ask that the joint resolution be passed over.

Mr. WHEELER. Mr. President, will the Senator from New York withhold his objection for a moment? This is a Senate joint resolution which the Crow Indians are very anxious to have passed. It gives the Supreme Court jurisdiction to determine whether or not the Crow Indians, who were given inadequate consideration under a mistake of facts, be given the opportunity to present their matter in the Court of Claims. If the court so finds, then the court is given effective jurisdiction to render judgment notwithstanding previous action.

Mr. COPELAND. I find adverse reports from the Department, and it seems to me that it is so significant a thing, going back to an old claim, that certainly we ought not to pass the joint resolution without some consideration. I am sorry, but I must object.

The PRESIDING OFFICER. The joint resolution will be passed over.

EZRA CURTIS

The bill (H. R. 10174) for the relief of Ezra Curtis was considered, ordered to a third reading, read the third time, and passed.

DIAMOND JUBILEE COMMITTEE, YANKTON, S. DAK.

The bill (S. 4643) authorizing the Secretary of War to lend certain Army equipment to the Diamond Jubilee Committee, Yankton, S. Dak., for the accommodation of persons attending the celebration to be held by such committee during June 1936 was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions of the Joint Resolution No. 11, approved March 2, 1913, as amended, the Secretary of War is authorized to lend, at his discretion, to the Diamond Jubilee Committee, Yankton, S. Dak., for use in the accommodation of persons attending the celebration to be held by such committee at Yankton, S. Dak., from June 7, 1936, to June 13, 1936, both dates inclusive, such Army equipment, including regular Army tents, cots, and blankets, as such committee may deem necessary for such purpose. No expense shall be caused the United States Government by the delivery and return of such property, the same to be delivered from the nearest quartermaster depot at such time prior to such celebration as may be agreed upon by the Secretary of War and such committee; and the Secretary of War, before delivering such property, shall take from such committee a good and sufficient bond for the safe return of such property in good order and condition and the whole without expense to the United States.

FLORENCE KERR FACEY

The bill (S. 3733) authorizing the issuance of a patent to certain lands in the State of Montana to Florence Kerr Facey was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of the act entitled "An act to provide for agricultural entry of lands withdrawn, classified, or reported as containing phosphate, nitrate, potash, oil, gas, or asphaltic minerals", approved July 17, 1914, the Secretary of the Interior is authorized and directed to issue, upon payment of final commissions, to Florence Kerr Facey, of Havre, Mont., an unrestricted patent to the east half northwest quarter, and lots 1 and 2, section 19, township 32 north, range 33 east, Montana principal meridian (Great Falls, 053718), upon her filing an abstract of title to the land showing her to be the equitable owner thereof, save for the pendency of any application for a permit or lease thereof under the act approved February 25, 1920, and paying into the land office at Great Falls, Mont., the sum of \$6.

VINCENT FORD

The bill (S. 4625) for the relief of Vincent Ford was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President be, and he is hereby, authorized to place Second Lt. Vincent Ford, Army Air Corps Reserve, upon the retired list of the Army with three-fourths of the active-duty pay of his grade: *Provided*, That a duly constituted Army retiring board finds that the said Vincent Ford is incapacitated for service by reason of physical disability incurred in the line of duty: *Provided further*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

PERCY C. WRIGHT

The Senate proceeded to consider the bill (S. 1769) for the relief of Percy C. Wright, which had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and to insert:

That the President be, and he is hereby, authorized to place First Lt. Percy C. Wright, Army Air Corps Reserve, upon the retired list of the Army with three-fourths of the active-duty pay of his grade: *Provided*, That a duly constituted Army retiring board finds that the said Percy C. Wright is incapacitated for service by reason of physical disability incurred in the line of duty: *Provided further*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF BANKRUPTCY ACT

The bill (H. R. 8940) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States, approved July 1, 1898, and acts amendatory thereof and supplementary thereto" was announced as next in order.

Mr. KING. Mr. President, I should like to have an explanation of that bill.

Mr. SCHWELLENBACH. I wish to inquire whether this is the same bill passed by the Senate 2 or 3 weeks ago?

The PRESIDING OFFICER. The Chair is advised by the clerk that this is substantially the bill recently passed by the Senate. The bill was recalled from the House and recommended, and has been reported by the Senate Committee on the Judiciary, and is now on the calendar with an amendment.

Mr. SCHWELLENBACH. In view of the fact that the Senate acted upon it, I do not believe that as a matter of order of business the bill could be disposed of in the short time allowed under the calendar proceeding, and I shall ask that it go over.

The PRESIDING OFFICER. The bill will be passed over.

CONSTRUCTION AT MILITARY POSTS

The bill (S. 4722) to authorize appropriations for construction at military posts, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated not to exceed \$33,675,135, to be expended for the con-

struction and installation at military posts of such buildings and utilities and appurtenances thereto as may be necessary, as follows: *Provided*, That appropriations for this purpose are authorized for 4 fiscal years, in amounts for each approximately as follows: For the first fiscal year, a total of \$8,929,376; for the second fiscal year, a total of \$8,435,828; for the third fiscal year, a total of \$8,426,699; for the fourth fiscal year, a total of \$7,883,232:

Station	Description of construction	Amount
Fort Amador, Canal Zone.	Barracks.....	\$89,000
	Noncommissioned officers' quarters.....	58,650
Total for station.....		127,650
Fort Clayton, Infantry section, Canal Zone.	Barracks.....	118,800
	Noncommissioned officers' quarters.....	36,500
	Officers' quarters.....	209,600
	Hospital, including medical detachment barracks and noncommissioned officers' quarters.....	202,392
Total for station.....		567,292
Corozal, general depot, Canal Zone.	Barracks.....	339,120
	Noncommissioned officers' quarters.....	195,500
	Officers' quarters.....	232,200
	Telephone construction.....	25,250
Total for station.....		792,070
Corozal ordnance group (Corundu Reservation), Canal Zone.	Barracks (addition to).....	39,000
	Noncommissioned officers' quarters.....	44,490
	Officers' quarters.....	45,000
Total for station.....		128,490
Fort Davis, Canal Zone.	Barracks.....	118,800
	Telephone construction.....	8,000
Total for station.....		126,800
Fort Kobbe, Canal Zone.	Barracks.....	55,000
	Electric power line.....	7,000
	Officers' quarters.....	15,000
	Telephone construction.....	1,070
Total for station.....		78,070
Fort Randolph, Canal Zone.	Hospital, including medical detachment barracks and noncommissioned officers' quarters.....	204,000
	Barracks.....	594,000
	Noncommissioned officers' quarters.....	97,750
Total for station.....		895,750
Fort Sherman, Canal Zone.	Barracks.....	562,500
Various Canal Zone stations.	Civilian quarters.....	118,250
Schofield Barracks, Hawaiian Department.	Barracks, including medical detachment. Noncommissioned officers' quarters.....	907,000
	Telephone construction, including exchange building and central office equipment.....	204,000
	Officers' quarters.....	213,000
		474,000
Total for station.....		1,798,600
Fort Shafter, Hawaiian Department.	Barracks.....	1,088,790
	Noncommissioned officers' quarters.....	420,000
	Telephone construction.....	15,000
	Officers' quarters.....	167,246
	Storage building.....	48,000
Total for station.....		1,739,036
Fort Ethan Allen, Vt.	Noncommissioned officers' quarters.....	41,500
	Motorization housing (Quartermaster, Field Artillery, and Cavalry), including garage and shops.....	161,700
	Gasoline and oil storage.....	4,500
Total for station.....		207,700
Anchorage, Alaska (U. S. Signal Corps station at Whitney).	Noncommissioned officers' quarters.....	17,000
Army and Navy General Hospital, Ark.	North Annex.....	90,000
	Noncommissioned officers' quarters.....	33,200
Total for station.....		123,200
Army Medical Center, D. C.	Barracks.....	410,000
	Telephone construction.....	1,250
Total for station.....		411,250
Fort Banks, Mass.	Noncommissioned officers' quarters.....	33,200
	Nurses' quarters.....	50,000
Total for station.....		83,200
Fort Barrancas, Fla.	Noncommissioned officers' quarters.....	33,200
	Officers' quarters.....	75,000
	Telephone construction.....	10,000
Total for station.....		118,200

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Station	Description of construction	Amount
Fort Belvoir, Va.	Noncommissioned officers' quarters.....	\$182,400
	Officers' quarters.....	125,000
	Garage and shops, including gasoline storage, Quartermaster and Engineer. Stables, shops, and sheds.....	225,500
	Telephone construction.....	118,725
	School for enlisted specialists.....	6,000
		60,000
Total for station.....		667,625
Benicia Arsenal, Calif.	Noncommissioned officers' quarters.....	74,700
	Warehouses and loading platforms.....	47,630
Total for station.....		122,330
Fort Benning, Ga.	Water system, improvements and additions.....	105,000
	School and barracks for cooks and bakers.....	140,000
	Noncommissioned officers' quarters.....	16,600
	Reproduction plant (addition to), including equipment.....	66,500
Total for station.....		328,100
Fort Bliss, Tex.	Barracks.....	233,000
	Stables and shops.....	492,328
	Telephone construction.....	10,000
Total for station.....		735,328
Fort Bragg, N. C.	Barracks, including medical detachment. Telephone exchange building, including central office equipment.....	289,000
		42,500
Total for station.....		331,500
Carlisle Barracks, Pa.	Noncommissioned officers' quarters.....	116,200
	Officers' quarters.....	159,600
	Telephone construction.....	5,319
Total for station.....		281,119
Chilkoot Barracks.	Noncommissioned officers' quarters.....	14,000
Fort Crockett, Tex.	Barracks, including medical detachment. Noncommissioned officers' quarters.....	440,000
	Officers' quarters.....	110,000
	Garage and shops.....	242,400
	Warehouses.....	90,000
	Telephone construction.....	64,000
		10,000
Total for station.....		956,400
Fort Crook, Nebr.	Garage and shop.....	50,000
	Telephone construction.....	1,500
	Noncommissioned officers' quarters.....	60,000
Total for station.....		111,500
Curtis Bay Ordnance Depot, Md.	Noncommissioned officers' quarters.....	33,200
Camp Custer, Mich.	Barracks and headquarters building.....	40,000
Delaware Ordnance Depot, N. J.	Barracks.....	70,000
	Noncommissioned officers' quarters.....	33,200
Total for station.....		103,200
Fort Des Moines, Iowa.	Noncommissioned officers' quarters.....	66,400
	Officers' quarters.....	64,800
	Hospital (addition to).....	50,000
	Telephone construction.....	3,000
Total for station.....		184,200
Fort Devens, Mass.	Noncommissioned officers' quarters.....	8,500
	Fire station and guardhouse (addition to).....	16,000
	Telephone construction.....	10,000
Total for station.....		34,500
Camp Dix, N. J.	Water supply system, including purification plant and attendants' quarters.....	100,000
Fort Douglas, Utah.	Noncommissioned officers' quarters.....	33,200
Fort Du Pont, Del.	Barracks.....	240,000
Fort Benjamin Harrison, Ind.	Barracks (addition to).....	29,000
	School and barracks for bakers and cooks.....	140,000
	Noncommissioned officers' quarters.....	33,200
	Officers' quarters.....	94,400
	Nurses' quarters.....	50,650
	Telephone construction.....	8,000
Total for station.....		355,260
Fort Hayes, Ohio.	Noncommissioned officers' quarters.....	83,000
Holabird Quartermaster Depot, Md.	Barracks.....	600,000
	Noncommissioned officers' quarters.....	149,400
	Telephone construction.....	12,000
	Sewage-disposal plant.....	23,000
	Officers' quarters.....	90,000
Total for station.....		874,400
Fort Sam Houston, Tex.	Officers' quarters.....	654,500
	Motor pool (completion of), including garages, shops, gasoline storage, etc.....	175,000
	Fire station.....	25,000
	Warehouses.....	100,000
	Magazines.....	15,225
	Stables.....	40,000

Station	Description of construction	Amount	Station	Description of construction	Amount
Fort Sam Houston, Tex.	Telephone construction.....	\$25,000	Fort George Meade, Md.	Barracks.....	\$335,000
	School and barracks for bakers and cooks.....	140,000		School and barracks for bakers and cooks.....	380,000
Total for station.....		1,174,725		Motor housing and tank park, including garage and shops.....	214,450
Fort Huachuca, Ariz.	Hospital, including medical detachment barracks.....	600,000		Telephone construction.....	7,500
	Motorization housing, including garage and shops.....	50,000		Magazines.....	25,000
	New post exchange and gymnasium.....	100,000	Total for station.....		941,950
	Reconstruction of water-supply system.....	140,000	Fort Missoula, Mont.	Noncommissioned officers' quarters.....	45,000
	Telephone construction.....	1,000	Fort Monmouth, N. J.	Motor transport garages.....	96,000
	Gasoline and oil storage.....	3,500		Telephone construction.....	30,000
	Officers' garages.....	10,801	Total for station.....		126,000
	Other new construction.....	17,538	Fort Monroe, Va.	Barracks, quartermaster detachment.....	100,000
	Repairs to existing buildings.....	156,379		Barracks (addition and alterations).....	225,000
	Recreational facilities.....	9,200		Officers' quarters.....	179,400
	Heating plants.....	291,350		Telephone construction.....	19,500
	Roads.....	243,750	Total for station.....		523,900
	Landing field.....	18,250	Fort Moultrie, S. C.	Noncommissioned officers' quarters.....	16,600
Total for station.....		1,641,828		Warehouse.....	45,000
Fort Jay, N. Y. (Governors Island).	Barracks.....	130,000		Telephone construction.....	3,000
	Noncommissioned officers' apartments.....	140,400	Total for station.....		64,600
	Officers' quarters.....	165,000	Fort Myer, including Battery Cove, Radio Station, Va.	Barracks (addition to).....	171,000
	Garage and shop.....	225,000		Noncommissioned officers' quarters.....	31,600
	Telephone construction.....	20,000	Total for station.....		202,600
Total for station.....		680,400	Nansemond Ordnance Depot, Va.	Barracks.....	80,000
Jefferson Barracks, Mo.	Barracks.....	240,000		Noncommissioned officers' quarters.....	33,200
	Mess kitchen, addition to barracks.....	60,000		Officers' quarters.....	30,000
	Officers' quarters.....	143,000	Total for station.....		143,200
	Nurses' quarters.....	43,300	New Cumberland General Depot, Pa.	Noncommissioned officers' quarters.....	33,200
	Telephone construction.....	6,000		Officers' quarters.....	15,000
Total for station.....		492,300	Total for station.....		48,200
Jeffersonville Quartermaster Depot, Ind.	Barracks.....	90,000	Fort Niagara, N. Y.	Barracks.....	45,000
	Noncommissioned officers' quarters.....	33,200		Officers' quarters.....	54,000
	Officers' quarters.....	98,200	Total for station.....		99,000
	Telephone construction.....	4,000	Fort Ontario, N. Y.	Barracks.....	70,000
Total for station.....		225,400		Telephone construction.....	1,500
Fort Knox, Ky.	Barracks.....	502,000	Total for station.....		71,500
	Noncommissioned officers' quarters.....	91,300	Picatinny Arsenal, N. J.	Officers' quarters.....	30,000
	Officers' quarters.....	187,200		Noncommissioned officers' quarters.....	16,600
	Hospital (completion of), including medical detachment barracks.....	100,000	Total for station.....		46,600
	Telephone construction.....	10,000	Plattsburg Barracks, N. Y.	Noncommissioned officers' quarters.....	24,900
	Motorization housing, Quartermaster and Ordnance, mechanized Cavalry, Field Artillery, including garage and shop.....	374,000		Motorization housing, shops, gasoline and oil storage, and garage.....	57,857
	Nurses' quarters.....	45,000		Telephone construction.....	5,000
Total for station.....		1,309,500	Total for station.....		87,767
Fort Leavenworth, Kans.	Barracks.....	70,000	Fort Preble, Maine.	Noncommissioned officers' quarters.....	33,200
Letterman General Hospital, Calif.	Barracks, medical detachment.....	400,000		Stables.....	11,500
	Noncommissioned officers' quarters.....	83,000		Telephone construction.....	1,000
Total for station.....		483,000	Total for station.....		45,700
Fort Lewis, Wash.	Noncommissioned officers' quarters.....	16,600	Presidio of San Francisco, Calif.	Barracks.....	400,000
Fort Logan, Colo.	Barracks, alterations, and enlargement.....	63,000		School and barracks for bakers and cooks.....	140,000
	Shop, garage, gasoline and oil storage.....	121,506		Motor shops and garages.....	82,500
	Warehouse.....	40,000		Garage and shops, Infantry.....	70,000
	Magazine.....	11,600		Office building.....	100,000
	Headquarters (addition to).....	40,000		Telephone construction.....	10,000
	Telephone construction.....	1,000		Warehouses.....	90,000
Total for station.....		277,106		Noncommissioned officers' quarters.....	83,000
Fort MacArthur, Calif.	Noncommissioned officers' quarters.....	8,400	Total for station.....		975,500
	Officers' quarters.....	94,800	Raritan Arsenal, N. J.	Barracks.....	300,000
	Motorization housing, including garages, shops, and gasoline and oil service.....	210,500		Officers' quarters.....	109,800
Total for station.....		313,700	Total for station.....		409,800
Fort McDowell, Calif.	Barracks.....	550,000	Reno Quartermaster Depot, Okla.	Barracks.....	75,000
	Telephone construction.....	5,750		Telephone construction.....	5,000
	Officers' quarters.....	72,000	Total for station.....		80,000
Total for station.....		627,750	Fort Riley, including Marshall Field, Kans.	Academic building and auditorium.....	300,000
Fort McIntosh, Tex.	Barracks.....	60,000		Flood damage restoration (including various quarters, miscellaneous buildings, roads, walks, and utilities; shore protection, including piling and jetty control and fill).....	92,800
	Magazines, including fence and roads.....	13,414	Total for station.....		392,800
Total for station.....		73,414	Rock Island Arsenal, Ill.	Noncommissioned officers' quarters.....	8,500
Fort McPherson, Ga.	Noncommissioned officers' quarters.....	16,500	Fort D. A. Russell, Tex.	Motor shops, truck and gun sheds.....	77,818
Madison Barracks, N. Y.	Rehabilitation of water-supply system, including purification plant and quarters for attendants.....	85,000	Fort Saulsbury, Del.	Barracks.....	15,000
	Noncommissioned officers' quarters.....	66,400			
	Garage and shop.....	70,000			
Total for station.....		221,400			
Fort Mason, Calif.	Warehouse.....	925,000			

Station	Description of construction	Amount
Fort Winfield Scott, Calif.	Officers' quarters.....	\$184,800
	Telephone construction.....	6,500
Total for station.....		191,300
Fort Sheridan, Ill.	Barracks.....	200,000
	School and barracks for bakers and cooks.....	140,000
	Noncommissioned officers' quarters.....	208,000
	Hospital, including medical detachment barracks, nurses' quarters, heating plant, and garage.....	588,348
	Motorization, housing, Coast Artillery, Infantry, Field Artillery, and Quartermaster, including garage shops, gasoline storage, etc.....	257,000
	Telephone construction.....	8,000
Total for station.....		1,401,348
Fort Sill, Okla.	Barracks.....	295,000
	Academic and administration building (completion of).....	210,000
	Telephone construction.....	7,000
Total for station.....		512,000
Fort Slocum, N. Y.	Barracks.....	209,000
	Noncommissioned officers' quarters.....	49,800
	Telephone construction.....	2,500
Total for station.....		261,300
Fort Thomas, Ky.	Barracks.....	254,000
	Noncommissioned officers' quarters.....	66,400
	Telephone construction.....	1,500
Total for station.....		321,900
Fort Tilden, N. Y.	Barracks.....	40,000
	Noncommissioned officers' quarters.....	16,600
	Officers' quarters.....	30,000
	Telephone construction.....	2,000
Total for station.....		88,600
Fort Totten, N. Y.	Motor park, including shop, storage, garages, heating plant, filling station, etc.....	233,000
	Telephone construction.....	5,000
Total for station.....		238,000
Vancouver Barracks, Wash.	Noncommissioned officers' quarters.....	249,000
Fort Wadsworth, N. Y.	Barracks.....	180,000
	Noncommissioned officers' quarters.....	16,600
	Motor shop and garage.....	37,000
	Telephone construction.....	5,000
	Bakery.....	19,000
Total for station.....		257,600
Washington, D. C. (Headquarters Company, Sixteenth Brigade, and Washington Quartermaster Depot).	Barracks, quartermaster depot, and garage for Army and White House.....	1,016,519
West Point, N. Y.	Fire station.....	35,000
Fort Williams, Maine.	Officers' quarters.....	30,000
	Garage.....	33,500
	Radio building and towers.....	10,000
Total for station.....		73,500
Fort Worden, Wash.	Noncommissioned officers' quarters.....	33,200
Fort George Wright, Wash.	do.....	24,900
	Officers' quarters.....	32,400
	Warehouse, quartermaster.....	18,000
	Telephone construction.....	8,500
Total for station.....		83,800
Fort H. G. Wright, N. Y.	Noncommissioned officers' quarters.....	16,600
Kelly Field, Tex.	Barracks, cadet.....	205,000
	Hospital.....	160,000
	Barracks, enlisted.....	420,000
	Hangars (8).....	945,000
Total for station.....		1,730,000
Fort Clark, Tex.	Garage and shops.....	22,000
Fort Francis E. Warren, Wyo.	Barracks for medical detachment.....	70,000
	Telephone construction.....	22,500
	Gymnasium.....	200,000
	Magazines (4) including roads and fence.....	14,600
Total for station.....		307,100

The PRESIDING OFFICER. That completes the calendar.

ARTICLES OWNED BY PRESIDENT AND MRS. GEORGE WASHINGTON

Mr. BARKLEY. Mr. President, from the Committee on the Library, I report back favorably the joint resolution (S. J. Res. 237) to provide for the appraisal and purchase of certain articles owned by President and Mrs. George Washington, and I ask unanimous consent for the present consideration of the joint resolution.

There being no objection, the joint resolution (S. J. Res. 237) to provide for the appraisal and purchase of certain articles owned by President and Mrs. George Washington was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That there is hereby created a commission, to be composed of the Secretary of the Senate, the Clerk of the House of Representatives, and the Secretary of the Smithsonian Institution, or his duly authorized representative, to appraise the value of the following articles which were formerly owned by President and Mrs. George Washington and which are now on display at the United States National Museum by permission of the present owners: One marquee tent, one marquee tent roof, three tent poles, 23 tent pins, two tent pouches, and one iron treasure chest. The commission is authorized to purchase such articles on behalf of the United States at a price not to exceed the value of such articles as appraised by the commission. Such articles when purchased shall remain on display at the United States National Museum.

Sec. 2. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this joint resolution.

DEPORTATION OF CRIMINAL ALIENS

Mr. COOLIDGE. Mr. President, I ask unanimous consent to recur to Calendar No. 1210, being Senate bill 2969.

Mr. WHEELER. I object to that. That bill was debated on the floor for some time.

Mr. COOLIDGE. May I make an explanation?

Mr. WHEELER. The Senator may make an explanation, but I shall object to the bill being taken up by unanimous consent.

The PRESIDING OFFICER. Objection is heard to the request of the Senator from Massachusetts.

Mr. COOLIDGE. Mr. President, will the Senator from Montana withhold the objection so that I may state that it is proposed to offer for the bill a substitute which has been agreed upon?

Mr. WHEELER. I ask for the regular order.

Mr. McNARY. I ask for the regular order.

The PRESIDING OFFICER. The regular order is demanded, and the hour of 1 o'clock having arrived—

CERTAIN SALARIES OF GENERAL LAND OFFICE EMPLOYEES

Mr. WAGNER. Mr. President, may I ask the Senate to recur to Calendar No. 2249, being Senate bill 4581?

The PRESIDING OFFICER. The Senator from New York asks the present consideration of a bill the title of which will be stated.

The CHIEF CLERK. A bill (S. 4581) authorizing the payment of certain salaries and expenses of employees of the General Land Office.

Mr. WAGNER. Mr. President, this bill proposes to provide for the payment of the salaries of a number of employees of the Department of the Interior for work which has already been done. It was assumed that the money was available until the Comptroller General decided that the particular funds were not available for the payment of these salaries.

Mr. McKELLAR. Mr. President, when that bill was reached I objected to it, because there was no explanation, but since hearing the explanation, I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection the bill (S. 4581) authorizing the payment of certain salaries and expenses of employees of the General Land Office was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the allotment to the General Land Office under section 1, title II, of the Emergency Appropriation Act,

fiscal year 1935, of \$168,000 for necessary office work incident to surveys and resurveys of the public lands, is hereby extended and made available for said purpose for the period of July 1 to September 11, 1935, inclusive, and the payment of unpaid salaries for said period is hereby authorized, and the General Accounting Office shall allow credit in disbursing officers' accounts for salaries and expenses so paid for said period.

CORPORATE REORGANIZATIONS UNDER THE BANKRUPTCY LAW

Mr. SCHWELLENBACH. Mr. President, I objected when order of business 2264, being House bill 8940, was reached and asked that it go over. With the understanding with the Senator in charge of the bill that if tomorrow when I ask for a reconsideration of the bill, if I shall then decide to do so, there will be no objection, I will withdraw my objection to the consideration of the bill.

Mr. O'MAHONEY. I ask unanimous consent that the bill may now be considered.

The PRESIDING OFFICER. Is there objection to the present consideration of House bill 8940?

Mr. KING. What is the bill?

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H. R. 8940) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States, approved July 1, 1898, and acts amendatory thereof and supplementary thereto."

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments.

The first amendment was, in section 1, on page 4, line 20, after the words "value of", to strike out "secured debts" and insert "security"; in line 21, after the word "over" to insert "but which in no event need amount to more than \$25,000, and three or more creditors who have provable claims against a corporation principally engaged in owning, holding, or selling real estate, real-estate mortgages, or oil and gas royalties, or three or more holders of beneficial interest certificates in a common-law trust, principally engaged in owning, holding, or selling real estate, real-estate mortgages, or oil and gas royalties which amount in the aggregate, in excess of the value of the security held by them, if any, to \$1,000 or over"; and on page 5, in line 18, after the word "appointed", to insert "or a receiver has been appointed for the collection of rents and profits from property constituting not less than 50 percent of the debtor's property, or a bond has been approved in lieu of such receivership in a foreclosure proceeding by a court of competent jurisdiction before which any such proceeding is pending, or a trustee under an indenture, mortgage, or deed of trust covering not less than 50 percent of the debtor's property, has taken possession thereof," so as to make the section read:

That subdivision (a) of section 77B of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States", as amended, be amended to read as follows:

"Sec. 77B. Corporate reorganizations: (a) Any corporation which could become a bankrupt under section 4 of this act, and any railroad or other transportation corporation, except a railroad corporation authorized to file a petition or answer under the provisions of section 77 of this act, and except as hereinafter provided, may file an original petition, or, before adjudication in an involuntary proceeding, an answer, or in any proceeding pending in bankruptcy, whether filed before or after this section becomes effective, provided the present operations of such corporation do not exclude it hereunder, and whether or not the corporation has been adjudicated a bankrupt, a petition stating the requisite jurisdictional facts under this section; the nature of the business of the debtor; in brief description, the assets, liabilities, capital stock, and financial condition of the debtor; if a prior proceeding is pending, the name of the court in which it is pending and the nature of such proceeding; facts showing the need for relief under this section; and that the corporation is insolvent or unable to meet its debts as they mature and that it desires to effect a plan of reorganization. The petition shall be filed with the court in whose territorial jurisdiction the corporation, during the preceding 6 months or the greater portion thereof, has had its principal place of business or its principal assets, or in any territorial jurisdiction in the State in which it was incorporated. The court shall, upon petition, transfer such proceedings to the territorial jurisdiction where the interests of all the parties will be best subserved. The petition or answer shall be accompanied by payment to the clerk of a filing fee of \$100, which shall be in addition to the fees required to be collected by the clerk under other sections of

this act. Upon the filing of such a petition or answer the judge shall enter an order either approving it as properly filed under this section if satisfied that such petition or answer complies with this section and has been filed in good faith, or dismissing it. If the petition or answer is so approved, an order of adjudication in bankruptcy shall not be entered and the court in which such order approving the petition or answer is entered shall, during the pendency of the proceedings under this section, have exclusive jurisdiction of the debtor and its property wherever located for the purposes of this section, and shall have and may exercise all the powers, not inconsistent with this section, which a Federal court would have had it appointed a receiver in equity of the property of the debtor by reason of its inability to pay its debts as they mature. The corporation shall be referred to in the proceedings as a 'debtor.' Any corporation the majority of the capital stock of which having power to vote for the election of directors is owned, either directly or indirectly through an intervening medium, by any debtor, or substantially all of whose properties are operated by such debtor under lease or operating agreement, may file, with the court in which such debtor had filed its petition or answer, and in the same proceeding, a petition stating that it is insolvent or unable to meet its debts as they mature and that it desires to effect a plan of reorganization in connection with, or as a part of, the plan of reorganization of such other debtor; and thereupon such court, if it approves such petition, shall have the same jurisdiction with respect to such corporation, its property, and its creditors and stockholders as the court has with respect to such other debtor. Three or more creditors who have provable claims against any corporation which amount in the aggregate to not less than 5 percent of the total amount of all indebtedness of such corporation as shown by a balance sheet, as of a date within the preceding 12 months, of the corporation or by its latest annual report or by its books and which amount in the aggregate, in excess of the value of security held by them, if any, to \$1,000 or over, but which in no event need amount to more than \$25,000, and three or more creditors who have provable claims against a corporation principally engaged in owning, holding, or selling real estate, real-estate mortgages, or oil and gas royalties, or three or more holders of beneficial interest certificates in a common-law trust, principally engaged in owning, holding, or selling real estate, real-estate mortgages, or oil and gas royalties which amount in the aggregate, in excess of the value of the security held by them, if any, to \$1,000 or over, may, if such corporation has not filed a petition or answer under this section, file with the court in which such corporation might file a petition under this section, a petition stating the requisite jurisdictional facts under this section, the nature of the business of such corporation, a general description of its assets, liabilities, capital stock, and financial condition, if a prior proceeding in bankruptcy or equity receivership is pending, the name of the court in which it is pending and the nature of such proceedings, facts showing the need of relief under this section, that such corporation is insolvent or unable to meet its debts as they mature, and if the corporation has not been adjudicated a bankrupt, or a receiver of the corporation has not been appointed, or a receiver has been appointed for the collection of rents and profits from property constituting not less than 50 percent of the debtor's property, or a bond has been approved in lieu of such receivership in a foreclosure proceeding by a court of competent jurisdiction before which any such proceeding is pending, or a trustee under an indenture, mortgage, or deed of trust covering not less than 50 percent of the debtor's property, has taken possession thereof, that it has committed an act of bankruptcy within 4 months preceding the date of the filing of the petition, and that such creditors propose that it shall effect a reorganization; and such corporation shall, within 10 days after the service of a copy of such petition upon it, answer such petition. If such answer shall admit (a) the jurisdiction of the court, and (b) the material allegations of the petition, the court shall enter an order approving the petition as properly filed under this section if satisfied that it complies with this section and has been filed in good faith, or dismiss it if so satisfied. If such answer shall deny any material allegation of the petition, the judge shall determine summarily the issues presented by the pleadings, without the intervention of a jury, and if the material allegations of the petition are sustained by the proofs and the court is satisfied that the petition complies with this section and has been filed in good faith, it shall approve the petition; otherwise the court shall dismiss the petition; and if any such petition shall be so approved, the proceedings thereon shall continue with like effect as if the corporation had itself filed a petition or answer under this section. In case any such petition or answer or proceedings shall be dismissed in the manner provided in this subdivision (a) or in subdivision (c), clause (8), of this section, the same shall not constitute an act of bankruptcy or an admission of insolvency or be admissible in evidence, without the consent of the debtor, in any proceedings then or thereafter pending or commenced under this act or in any Federal or State court. If three or more creditors who have provable claims which amount in the aggregate in excess of the value of securities held by them, if any, to \$1,000 or over, or if stockholders holding 5 percent in number of all shares of stock of any class of the debtor outstanding shall, prior to the hearing provided for in subdivision (c), clause (1), of this section appear and controvert the facts alleged in the petition or answer, the judge shall determine as soon as may be the issues presented by the pleadings, without the intervention of a jury, and unless the material allegations of the petition or answer are sustained by the proofs, the proceedings shall be dismissed."

The amendment was agreed to.

The next amendment was, in section 2, on page 12, line 23, after the word "the", to strike out "judges" and insert "judge", so as to make the section read:

SEC. 2. Subdivision (c) of section 77B of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States", as amended, is amended to read as follows:

"(c) Upon approving the petition or answer or at any time thereafter, the judge, in addition to the jurisdiction and powers elsewhere in this section conferred upon him, (1) may, after hearing upon notice to the debtor and to such others as the judge may determine temporarily continue the debtor in possession or appoint a trustee or trustees of the debtor's estate, and shall require the debtor, or such trustee or trustees, if appointed, to give such notice as the order may direct to creditors and stockholders and to cause publication thereof to be made at least once a week for 2 successive weeks of a hearing to be held within 30 days after such appointment, or, if no such appointment, within 30 days after the approval of the petition or answer, at which hearing or any adjournment thereof, or at any subsequent hearing after notice, the judge may make permanent any such appointment, or terminate it and restore the debtor to possession, or, if no trustee has been appointed, may appoint a trustee or trustees, and may remove any such trustee or trustees and continue the debtor in possession or appoint a substitute trustee or trustees and may appoint an additional trustee or trustees: *Provided, however,* That if the debtor is continued in possession, or if the management of the debtor is appointed trustee, no compensation shall be allowed the management as trustee in addition to the compensation of the management as salary, which salary shall not be in an amount greater than the salary of which the management was in receipt at the time of the approval of the petition or answer; (2) shall fix the amount of the bond of every such trustee, and every such trustee, upon filing such bond, shall have all the title and shall exercise, subject to the control of the judge and consistently with the provisions of this section, all the powers of a trustee appointed pursuant to section 44 of this act, and if authorized by the judge, the same powers as those exercised by a receiver in equity to the extent consistent with this section, and, subject to the authorization and control of the judge, the power to operate the business of the debtor during such period, fixed or indefinite, as the judge may from time to time prescribe; (3) may, for cause shown, authorize the debtor or the trustee or trustees, if appointed, to issue certificates for cash, property, or other consideration approved by the judge for such lawful purposes, and upon such terms and conditions and with such security and such priority in payments over existing obligations, secured or unsecured, as may be lawful in the particular case; (4) shall require the debtor, or the trustee or trustees if appointed, at such time or times as the judge may direct, and in lieu of the schedules required by section 7 of this act, to file such schedules and submit such other information as may be necessary to disclose the conduct of the debtor's affairs and the fairness of any proposed plan; and may direct the debtor, or the trustee or trustees if appointed, to prepare (a) a list of all known bondholders and creditors of, or claimants against, the debtor or its property, and the amounts and character of their debts, claims, and securities, and the last known post-office address or place of business of each creditor or claimant, and (b) a list of the stockholders of each class of the debtor, with the last known post-office address or place of business of each, which lists shall be open to the inspection of any creditor or stockholder of the debtor, during reasonable business hours, upon application to the debtor, or to the trustee or trustees, if appointed, and the contents of such lists shall not constitute admissions by the debtor or the trustees in a proceeding under this section or otherwise; (5) may direct the rejection of contracts of the debtor executory in whole or in part; (6) shall determine a reasonable time within which the claims and interests of creditors and stockholders may be filed or evidenced and after which no such claim or interest may participate in any plan, except on order for cause shown, the manner in which such claims and interests may be filed or evidenced and allowed, and, for the purposes of the plan and its acceptance, the division of creditors and stockholders into classes according to the nature of their respective claims and interests; and may, for the purposes of such classification, classify as an unsecured claim, the amount of any secured claim in excess of the value of the security therefor, such value to be determined in accordance with the provisions of section 57, clause (h), of this act; (7) shall cause reasonable notice of such determination and of all hearings for the consideration of any proposed plan, or of the dismissal of the proceedings, or the liquidation of the estate, or the allowance of fees or expenses, to be given creditors and stockholders by publication or otherwise; (8) if a plan of reorganization is not proposed or accepted within such reasonable period as the judge may fix, or, if proposed and accepted, is not confirmed, may, after hearing, whether the proceeding be voluntary or involuntary, either extend such period or dismiss the proceeding under this section or, except in the case of a railroad or other public utility or of a debtor which has not been found by the judge to be insolvent, direct the estate to be liquidated, or direct the trustee or trustees to liquidate the estate, appointing a trustee or trustees if none shall previously have been appointed, as the interests of the creditors and stockholders may equitably require; (9) may allow a reasonable compensation for the services rendered and reimbursement for the actual and necessary expenses incurred in connection

with the proceeding and the plan by officers, parties in interest, depositaries, reorganization managers, and committees or other representatives of creditors or stockholders, and the attorneys or agents of any of the foregoing and of the debtor, but appeals from orders fixing such allowances may be taken to the circuit court of appeals independently of other appeals in the proceeding and shall be heard summarily; (10) in addition to the provisions of section 11 of this act for the staying of pending suits against the debtor, may enjoin or stay the commencement or continuation of suits against the debtor until after final decree; and may, upon notice and for cause shown, enjoin or stay the commencement or continuance of any judicial proceeding to enforce any lien upon the estate until after final decree; and (11) may refer any matters to a special master, who may be one of the referees in bankruptcy, for consideration and report, either generally or upon specified issues, and allow such master a reasonable compensation and reimbursement for his services and actual and necessary expenses. The debtor shall have the right to be heard on all questions. Any creditor or stockholder shall have the right to be heard on the question of the permanent appointment of any trustee or trustees, and on the proposed confirmation of any reorganization plan, and upon filing a petition for leave to intervene, on such other questions arising in the proceeding as the judge shall determine. In case a trustee is not appointed, the debtor shall continue in the possession of its property, and, if authorized by the judge, shall operate the business thereof during such period, fixed or indefinite, as the judge may from time to time prescribe, and shall have all the title to and shall exercise, consistently with the provisions of this section, all the powers of a trustee appointed pursuant to this section, subject at all times to the control of the judge, and to such limitations, restrictions, terms, and conditions as the judge may from time to time impose and prescribe. While the debtor is in possession (a) its officers shall be entitled to receive only such reasonable compensation as the judge shall from time to time approve, and (b) no person shall be elected or appointed to any office, to fill a vacancy or otherwise, without the prior approval of the judge."

The next amendment was, on page 13, after line 10, to insert a new section, as follows:

SEC. 3. The first sentence of subdivision (m), section 74, of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States", as amended, be, and it is hereby, amended to read as follows: "The filing of a debtor's petition or answer seeking relief under this section shall subject the debtor and his property, wherever located, to the exclusive jurisdiction of the court in which the order approving the petition or answer as provided in subsection (a) is filed, and this shall include property of the debtor in the possession of a trustee under a trust deed or a mortgage, or a receiver, custodian, or other officer of any court in a pending cause, irrespective of the date of appointment of such receiver or other officer, or the date of the institution of such proceedings: *Provided,* That it shall not affect any proceeding in any court in which a final decree has been entered unless the debtor's right of redemption has not expired."

That section 74, subsection (e), be amended to read as follows: "An application for the confirmation of a composition or extension proposal may be filed in the court of bankruptcy after, but not before, it has been accepted in writing by a majority in number of all creditors whose claims if unsecured have been allowed, or if secured are proposed to be affected by an extension proposal, which number must represent a majority in amount of such claims; and the money or security necessary to pay all the costs of the proceedings, and in case of a composition, the consideration to be paid by the debtor to his creditors have been deposited in such place as shall be designated by and subject to the order of the court. After the first meeting of the creditors as provided in subdivision (c), the debtor fails to obtain the acceptance of a majority in number of all creditors whose claims are affected by an extension proposal representing a majority in amount, the debtor may submit a proposal for an extension, including a feasible method of financial rehabilitation for the debtor which is for the best interest of all the creditors, including an equitable liquidation for the secured creditors whose claims are affected."

The amendment was agreed to.

The next amendment was on page 14, after line 24, to insert a new section, as follows:

SEC. 4. The provisions of subdivision (a) of said section 77B, as amended by this amendatory act, except that which requires three or more creditors to have provable claims amounting to not less than 5 percent but not less than \$1,000 nor more than \$25,000 of the total amount of all indebtedness of such corporation in the manner set forth in said section to file a petition under said section, shall apply to all petitions under said section 77B filed prior to the effective date of this amendatory act which shall not have been approved prior to said date. The provisions of sections 2 and 3 of this amendatory act shall apply to all proceedings under sections 74 and 77B pending on the effective date of this act in which a plan of extension or composition or reorganization has not been finally confirmed by the court or judge.

The amendment was agreed to.

The next amendment was, on page 15, after line 13, to insert a new section, as follows:

SEC. 5. The first sentence of subdivision (1) of section 77B of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States", is amended by striking out all of the first sentence of said subdivision (1) after the words "If the petition or answer is approved" and inserting the following in lieu thereof "The trustee or trustees appointed under this section, or the debtor if no trustee is appointed, shall be entitled forthwith to possession of and vested with title to all property of the debtor, including property in the possession of any receiver or prior trustee, whether appointed by a court or otherwise, and the judge shall make such orders as he may deem equitable for the protection of obligations incurred by such receiver or prior trustee and for the payment of such reasonable administrative expenses and allowances as may be fixed by the court in any proceeding in which such receiver or prior trustee was appointed."

The amendment was agreed to.

Mr. AUSTIN. Mr. President, I wish to interrogate the Senator in charge of the bill with respect to one point. Does this bill contain a provision that would excuse guarantors and sureties from turning in their assets in an equal degree with the principal?

Mr. O'MAHONEY. I do not know that I understand the question of the Senator. I think the Senator is referring to a different measure than that under consideration.

Mr. AUSTIN. That is what I am trying to find out. If this is the bill that contains that provision, I should object to its consideration.

Mr. O'MAHONEY. This bill does not contain the provision to which the Senator alludes.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its reading clerks, announced that the House had passed a bill (H. R. 12027) to authorize the execution of plans for a permanent memorial to Thomas Jefferson, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 1252. An act for the relief of Odessa Mason;

H. R. 6163. An act for the relief of Mrs. Murray A. Hintz;

H. R. 9496. An act to protect the United States against loss in the delivery through the mails of checks in payment of benefits provided for by laws administered by the Veterans' Administration;

H. R. 10565. An act for the relief of Mr. and Mrs. William O'Brien; and

H. J. Res. 525. Joint resolution to enable the United States Constitution Sesquicentennial Commission to carry out and give effect to certain approved plans, and for other purposes.

FIRST DEFICIENCY APPROPRIATIONS

The PRESIDING OFFICER. The hour of 1 o'clock having arrived, under the unanimous-consent agreement the Chair lays before the Senate the unfinished business.

The Senate resumed consideration of the bill (H. R. 12624) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1936, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1936, and June 30, 1937, and for other purposes.

Mr. ROBINSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Barkley	Borah	Byrd
Austin	Benson	Brown	Byrnes
Bachman	Bilbo	Bulkley	Capper
Bailey	Black	Bulow	Caraway
Barbour	Bone	Burke	Carey

Chavez	Hastings	Minton	Smith
Clark	Hatch	Moore	Steiwer
Coolidge	Hayden	Murphy	Thomas, Okla.
Copeland	Holt	Murray	Thomas, Utah
Couzens	Johnson	Neely	Townsend
Davis	Keyes	Norris	Truman
Dieterich	King	O'Mahoney	Tydings
Duffy	La Follette	Overton	Vandenberg
Fletcher	Loftin	Pope	Van Nuys
Frazier	Loneragan	Radcliffe	Wagner
George	Long	Reynolds	Walsh
Gerry	McAdoo	Robinson	Wheeler
Gibson	McGill	Russell	White
Glass	McKellar	Schwellenbach	
Guffey	McNary	Sheppard	
Hale	Maloney	Shipstead	

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present.

Mr. McNARY obtained the floor.

Mr. HASTINGS. Mr. President—

Mr. McNARY. I yield to the Senator from Delaware.

Mr. HASTINGS. I enter a motion to reconsider the vote by which the committee amendment, as amended, beginning on page 29, line 24, and extending down to and including line 10 on page 30, was agreed to and also to reconsider the vote by which the amendment of the Senator from Arkansas [Mr. ROBINSON] relating to the Florida canal to the committee amendment was agreed to.

Mr. LA FOLLETTE. Mr. President, a parliamentary inquiry.

Mr. ADAMS. Mr. President, may we have the motion stated?

Mr. LA FOLLETTE. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Wisconsin will state his parliamentary inquiry.

Mr. LA FOLLETTE. I desire to be informed as to just what portions of the committee amendment the Senator from Delaware is moving to reconsider.

Mr. HASTINGS. I am moving to reconsider the vote whereby the amendment was adopted permitting the engineers to report on the Florida ship canal and the President, after such report, to expend certain sums of money.

Mr. LA FOLLETTE. If the Senator will bear with me his motion, then, is confined exclusively to the so-called Robinson amendment?

Mr. HASTINGS. Yes; that is correct.

Mr. President, I do not at this time propose to make any remarks in respect to the motion I have just entered.

The PRESIDING OFFICER. Does the Senator from Delaware desire the present consideration of the motion, or does he merely enter the motion to reconsider?

Mr. HASTINGS. I merely wish to enter the motion.

The PRESIDING OFFICER. The motion of the Senator from Delaware will be entered.

Mr. HASTINGS. Mr. President, I wish to discuss generally the bill now pending before the Senate. I desire to see if I can emphasize its importance, and I want in the first place to review briefly the situation with respect to the Treasury of the United States.

On June 30, 1933, 4 months after the present administration came into power, the reports show that during that fiscal year there was expended by the Government \$5,142,953,627, representing the largest expenditures up to that time in the history of the country during peace times. The appropriations for the fiscal year 1934 were greater than those for the fiscal year 1933 by \$1,962,096,458, there thus being nearly a \$2,000,000,000 increase in expenditures in 1934 over those of the year 1933.

In 1935 the expenditures exceeded those of 1934 by \$270,775,081.

In 1936, the present year, the Director of the Budget estimates the expenditures, exclusive of the bonus, will be \$302,884,708 more than was expended in the year 1935.

The estimate for 1937 exceeds the estimate for 1936, exclusive of the bonus, by \$593,844,497.

Thus if we take a 5-year period beginning with 1933, with an expenditure of \$5,142,953,627, and add the accumulated expenditures each year over the other, we get a total increase in the year 1937 over the year 1933 of \$3,129,600,743, making the total for the next year, \$8,272,554,370.

When we are called upon to give to the President of the United States another sum amounting to \$1,425,000,000, and bearing in mind the experience we have had with the \$4,880,000,000 voted last year and the \$3,300,000,000 voted the previous year, it seems to me it is time to consider seriously where this expenditure is to end and what is to happen to the country if it does not soon end.

Much has been said in the press, on the floor of the Senate, in the House of Representatives, and at other places, about how easy it is to raise sufficient funds to meet the so-called necessary expenses of the Government—necessary from the point of view of the present administration. We are now told—we have been so told by certain members of the Finance Committee—that the way to raise additional revenue is to get it from those who have the ability to pay, namely, those who are in the upper brackets of the income taxes, and from the wealthy corporations which have large surpluses, and so forth.

The President himself has referred to large corporations and to persons with large fortunes as being "industrial autocrats."

Mr. President, I invite attention to a fact which it seems to me is important to be considered by those who have the notion that these huge sums of money can be raised from such sources. The testimony before the Finance Committee during the pendency of the present revenue measure showed that the Treasury Department itself estimated that the entire statutory income, subject to taxation, of all the corporations in the United States during the year 1936 would amount to \$7,200,000,000, so that if we should take all that the corporations earned and apply it to the demands of the President of the United States for the coming fiscal year, we would find that we were short the sum of \$1,072,554,370.

If we add to that sum of \$1,072,000,000 all the money that is received from individual income taxes, amounting to \$936,000,000, we would still be short something like \$136,000,000. Bear in mind if we should take all the income of all those corporations and then should take the income taxes of all the people who pay into the Federal Treasury and should add them together, we would still be short \$136,000,000.

I think it is pretty generally conceded that we cannot go very much higher in the surtax brackets than we have already gone, because at the present time there are citizens who are paying into the Federal Treasury 75 percent of all their incomes. I take it that if we should go much beyond that point it would be held that we were beyond the bounds of reasonableness and that we could not take more without being charged with confiscating the fortunes of those people.

Let me invite attention to a further fact. If we should take all the present income as estimated by the Treasury of the United States and undertake to pay the deficit and balance the Budget, and if we did it by taking all of it from the corporations, it would be necessary to increase the taxes of the corporations from the present rate of 15 or 16 percent to 57 or 58 percent.

Mr. President, it seems to me these figures demonstrate that there must be some other means of meeting these expenses or of cutting down the expenses of the Government, which would be the very much more sensible thing to do.

In order that I may show to those who believe they ought not to be concerned and have no reason to be concerned about the taxes which are necessary to be levied in order to run the Government, let me invite their attention to the fact that without the corporations and without the tax we are now levying against them, the credit of the Federal Government probably would be destroyed.

The alcoholic beverage tax, according to the estimate of the Treasury, amounts to \$554,800,000. The tobacco tax amounts to \$504,044,000. The manufacturing excise taxes, which are called the nuisance taxes, amount to something over \$400,000,000. The only thing that is not directly affected, though I suppose the free traders would argue that the people are also affected by it, is the customs income, which amounts to \$354,000,000.

If I have demonstrated that we cannot meet the expenses by corporation taxes, if we cannot meet them by increasing the income taxes, then I say the people of the country are entitled to know that these huge expenditures must be reduced or finally all the people of the Nation will be directly taxed in order to meet the obligations and expenses of the Government.

I invite attention to these matters at this time because we are now called upon to pass a bill which, in my judgment, when we bear in mind the evidence which has been produced before the country as to what happened to previous appropriations like it, shows upon its face that the money will be in a large part wasted and not used for the purposes for which the Congress intends.

Let me pass on now from that general picture of the financial situation and give brief consideration to the bill itself.

I made a speech on the floor of the Senate with respect to the \$4,880,000,000 appropriation. I made some predictions then with respect to it. I believe the evidence and developments since the appropriation of that sum of money clearly show that my warnings and the warnings of other Senators at that time ought to have been heeded by the Congress. We are again called upon to do what? To appropriate to the President of the United States, to expend as his discretion may dictate, \$1,450,000,000, for what purpose? For relief and work relief on useful projects in the United States.

No such thing as that ever happened until this administration came into power. No such authority had been granted by any Congress up to the time we were called on to pass a \$3,300,000,000 fund. No such thing as that had ever happened before, because the Congress remembered the history of its own country, remembered what happened when the great Declaration of Independence was signed and when the Constitution was written, remembered the history of England, and remembered how the people fought to get control and to get away from the king the right to levy the tax. But bear in mind that that is only one important part of our freedom. The right to levy a tax is only a part of it. The expenditure of the tax after it is collected is just as important; and it is just as important to hold on to that power as it is to hold on to the taxing power itself.

What have we done? In my judgment, we have destroyed all the precedents that have built America and upon which we have builded a great country. We have done the one thing which, in my judgment, puts us nearer a dictatorship than any other suggestion that could be made or any other course that could be taken. Whenever the Congress of the United States either loses control of the taxing power and passes it over to some other person or loses control of the purse, loses control of the tax after it has been collected, that minute we start to imitate some great country in Europe which thinks it is getting along well under a dictatorship; that minute we start to destroy America; that minute we start to destroy the Republic.

I say this, Mr. President, in all seriousness, and I say it as perhaps the last thing I expect to say in the Senate: I know some persons will say, and may say today for all I know, that this is merely the "swan song" of a Republican who is more interested in his party than he is in his country. Mr. President, that is not true. That is not true of many men in the Senate. That is not true of many New Dealers. The point is, they are mistaken, and I know they are mistaken, and I wish to issue this last warning as a patriotic citizen of America.

Mr. President, it would be bad enough if this thing went no further than to give advantage to one political party over another. That is what the bill does. Nobody doubts it any more. The evidence is entirely too clear to have any question raised about it. Everybody knows it; and at the time we all spoke of the \$4,880,000,000 appropriation as a campaign fund for the Democratic Party. It may be that that statement was somewhat exaggerated, because none of us intended to charge that the whole sum of money would be used for campaign purposes; but we did intend to charge,

and we charge anew, with all the evidence at hand that any reasonable person needs, that it has been so used, either with or without the approval of the President of the United States. It makes no difference whether we can prove that he approves the use of the money in that manner or not; the fact that it has been done, and the fact that the President has control of the money is sufficient of itself to condemn him in the minds of the American people. They will condemn him, and they will do so in no uncertain terms.

It may be true, for all I know, that there are enough persons in this country who can be purchased to control an election. It may be that America can be corrupted sufficiently if a sufficient fund is available. I am not yet satisfied that it can be done. I am not yet satisfied that American principles have been lost by either the poor or the ignorant of America. I believe, after all, when the time comes, America will show its true colors, regardless of how much corruption there may be on the part of the New Dealers, regardless of how much money there may be in the hands of the local politicians, ready to be handed over to this man or that man, to convince them that they ought to vote this way or that way in order to keep their jobs.

No, Mr. President; I have not lost faith in America. I do say, however, that Congress has no right to give anybody the opportunity to do the things they are sure to do when we pass this kind of a bill. That is the complaint I have. My complaint is of the Congress itself, not of the people of the United States. The Congress has no authority to do any such thing as this.

Let me cool off a little and come back to a discussion of the bill itself. Is it any wonder that men get excited when they consider a thing like this?

I desire to call attention to some of the details of this bill. Bear in mind that the President is given the absolute right, as the junior Senator from Oregon [Mr. STEWER] called to the attention of the Senate the other day, to spend all this money, just so he can sufficiently identify it to call it "relief" or "work relief." With that qualification, there is no limit to what he may do. Not a single dollar of it is compelled to go in any particular direction.

The whole amount is subject to the President's discretion; and if he can pin on it the badge of "relief" or "work relief", he is within the terms of the measure we are about to pass.

The bill is camouflaged a little bit, and perhaps it is helped some by a provision that—

This appropriation shall be available for the following classes of public projects, Federal and non-Federal—

It does not make a bit of difference whether or not the Federal Government is interested in the project at all. It may be Federal or non-Federal.

and the amounts to be used for each class shall not, except as hereinafter provided, exceed the respective amounts stated, namely: (a) Highways, roads, and streets, \$413,250,000.

That simply means that the President may not spend for that purpose out of this fund more than that sum, with the qualification that it may be increased 15 percent in his discretion.

The Constitution of the United States states that Congress may provide for the construction of post offices and post roads; but did it ever occur to anybody to give to the President of the United States sufficient money to go into the State of Pennsylvania and build the kind of road he desired to build in Pennsylvania, beginning at whatever place he cared to start from, and ending at whatever place he wished to go to? If the Congress desired to build a road in Pennsylvania under that provision of the Constitution, the most natural thing for it to do would be to have before it a survey of the road, with a description of it, and with a reasonable estimate as to what it would cost, and then we would authorize its construction.

Under this bill, however, the President does not have to do anything of the kind. He may go and build a street in some town in Pennsylvania, and then he may go into another State

and build a piece of road, or he may go into a town in some other State and build a street there. There is no limit to where the President may go; and I ask, in all fairness, is that sort of a situation necessary? Is that sort of a situation desirable, even if it be within the terms of the Constitution itself?

Then the bill goes on to provide for the construction of public buildings. Is the Congress today prepared to permit the President to go into my State and build a public building for the State at the expense of the Federal Government and to be used by the State? He may do just that under this bill, and the State does not have to contribute a dime toward the cost of construction.

I should be inclined to give the President some authority with respect to public buildings, but I certainly should confine it to Federal buildings. It never would occur to any reasonable man in Congress, unless he were pressed on by the ambitious President of the United States, to give anybody any such authority as that.

The distinguished Senator from Idaho said the other day:

We could appropriate money to John Doe to build a bridge, and he might build it. He might make a mistake, but that would be within the Constitution, because that would be administrative.

That is all very true, but we certainly would know where the bridge was to be built when we appropriated the money. We ought to know where it was to be built, and we ought to know what kind of a bridge was to be built, when we appropriated the money.

But let me pass on. That is not all of it. The President may use this money for—

parks and other recreational facilities, including buildings therein; * * * public utilities, including sewer systems, water supply, and purification, * * * flood control * * *, assistance for educational, professional, and clerical persons.

Mr. President, I desire to call attention to this matter, and I should like to have the chairman of the committee or someone else, if he knows, tell me to what this refers. Here is a provision, "Women's projects, \$85,500,000."

Will someone tell me how descriptive that is of what Congress wants done? Is anyone going to vote for a bill, under normal conditions, which comes here appropriating \$85,500,000 for "Women's projects"? If such a bill were introduced and sent to a committee, I inquire, what would be the first thing the members of the committee would do about it? I suppose they would have some hearings with respect to it, and they would call in the person who introduced the bill. They would try to find out what he meant, and when they found out what he meant they would write it into the bill. They would not leave any fool thing like this on the statute books. The whole business is silly.

I started to say it was crooked, but I might be misunderstood. I do not mean that. The committee which considered the matter did a fine job, so that I could not use that language; but I say it is perfectly silly to leave on the statute books a provision whereby we appropriate \$85,500,000, plus a possible 15-percent addition, making \$100,000,000, for "Women's projects."

I should like to know what a woman's project is. I will tell the Senate what it is, or may very well be under this measure. A woman's project is some kind of a project which has been conceived in the mind of some woman such as Mrs. Roosevelt, or some other socialistically inclined person. That is what it means when it refers to women's projects, some project conceived in some woman's mind; and if she happens to get it from her husband and it did not come from her own mind first, it would not come within the law, because that would be a man's idea, and the law therefore would not be applicable.

Women's projects. Does that mean what I have described? I ask someone to tell me whether that is what it means. If it is not, then tell me what it does mean.

Women's projects may mean, perhaps, some kind of projects whereby women are employed. If so, what kind of projects are they? Let us be specific if we want to use any sense at all in passing legislation.

There are some other things here which are even more wide open than that. There is a provision for "Miscellaneous work projects, \$71,250,000."

I know something about what miscellaneous means. I know that that is intended to cover any kind of a project one can think of. I say to the Senator from Oregon it may be that that has some advantage in it, because while I could not possibly read into this bill a provision that the President was confined to these things mentioned in the bill, it may be that that is the case when we take into consideration that we have appropriated so much and said that he can use this for roads and streets, that he can use the other for public buildings, he can use this much for women's projects, and when we make provision for "miscellaneous work projects" it may be reasonably argued that he is confined to these things which have been specified in the bill.

Oh, the Senator shakes his head, and I think he is absolutely correct; there is no such hope as that. It cannot be confined to that, and just as certainly as that we live the President will find some new scheme, some new kind of boondoggling of which no one ever before heard, before he gets very far with this \$1,425,000,000, because we all know who is going to run it, and we are apprehensive because we know who is going to run it. We know Harry Hopkins is going to do this job, and while the Senator from Oregon has said he has done a better job than some other could have done, possibly, God knows that is not good enough for real benefit anywhere.

I am opposed to putting \$1,425,000,000 into the hands of some social worker, some man who has had no experience at all in business, who knows nothing about the payment of taxes, who in all his life probably has never paid \$5,000 in taxes. That is how much experience he has had as a businessman and as an important man in the country. If he does not find something new to do with it, he will be disappointed, and the people of the United States will be greatly surprised, at least.

Mr. President, talk about this thing being constitutional! If it is constitutional, we ought to tear up the Constitution itself. I shall not try to argue whether it is constitutional or not, because we do not need to argue it. We know, if we know anything about America's history, that it is unconstitutional. We know it is against the principles for which America has stood, and that ought to be sufficient.

But I must not take long in dealing with a thing which is so absurd on its face that it should not have consideration from intelligent people in any part of the world. It is so silly that I cannot describe it without being offensive. I do desire to speak for a few minutes about our experience with it so that no man who votes for it may be surprised.

I think it is our duty to point out the evidence we have at hand; and while that would take entirely too long, there are some high points in it to which I desire to call the attention of the Senate.

The country knows that with all the effort we have put forth we have not been able to get a resolution out of the committee approving an investigation of the expenditure of the huge sum of money we have appropriated in the past. Why do they not let us have it? They know they dare not. If there was a true picture put in language so the people could understand all the devilment that has gone on with the money we have heretofore appropriated, if that could be laid before the Senate and the country, you would not dare even consider another appropriation like it.

I, like the Senator from Oregon, do not attach any particular blame to Harry Hopkins. I think he is doing as well as he could do; and that is not saying much. I do not charge him with doing anything dishonest. I do not even charge him with doing things for the benefit of the New Deal politically. I know he has the wrong concept of relief in the United States.

We have heard both political parties urge upon the country the desirability of the improved condition of every citizen, but not until this went into the law did we find that it was necessary to improve the relief conditions in the United

States. We have tried to improve the standard of living of the people of the United States. That has been what we have sought to do for years. But Hopkins comes along and wants to improve the relief conditions in the United States, just as the Senator from Oregon pointed out in the fine speech he made upon this subject the other day.

I say that when you begin with that sort of thing, and when you turn over a billion, four hundred and twenty-five million dollars to a man who has that kind of a scheme in his mind, you are running this country into obligations from which our children and our children's children will never be able to extricate it.

With respect to his politics, he has one cardinal thought in his mind, and it is very important. It is very important from Mr. Farley's point of view. He agrees with Mr. Hopkins a hundred percent. Mr. Hopkins says, "I would be a damn fool if I should pick somebody to run the W. P. A. who did not believe in the New Deal."

Mr. Farley knows how to get around that. That is perfectly satisfactory to him, because it does not make a bit of difference to him whether the votes next November come from the Democratic Party or from the Republican Party, just so he gets them. So he takes on Republicans who are committed to the New Deal. That is not the kind of Republicans we care anything about; they have no place in the Republican Party. And they turn Democratic. So that we find all this W. P. A. money being administered by Democrats. I apologize to the Democrats, and I will phrase it this way: It is being administered by the New Deal, which is an entirely different thing from any Democrat I know anything about.

Mr. President, I wish to give the Senate a little evidence, though not all the evidence I have, because Senators are too anxious to adjourn the present session for me to take so much time. However, I wish to read a few extracts from certain evidence I have. I want to call attention in the first place to the charges repeatedly made in the Senate by the junior Senator from West Virginia [Mr. Holt], and, just as he has pointed out, you dare not try to find out whether those charges are true. He has made charges upon the floor of the Senate and produced affidavits in support of the truth of his charges, and you dare not investigate to show that the charges are not true.

The junior Senator from West Virginia however is not the only Senator who has made charges in this respect. I now read from the Indianapolis Star of April 24, 1936, with regard to the Senator from Indiana [Mr. VAN NUYS]. I read this short story:

Federal funds are being used through the W. P. A. to elect delegates favorable to the nomination of Lt. Gov. M. Clifford Townsend for the Democratic nomination for Governor, Senator FREDERICK VAN NUYS charged last night after investigating numerous complaints he said he had received.

"This sort of thing must stop in Indiana and elsewhere", the Senator declared.

"I will take this to the floor of the United States Senate and to the high places", he said.

The Senator charged that his investigations during his first day in Indianapolis after returning from Washington showed that Democratic precinct committeemen are being employed as foremen or supervisors at a salary of \$150 a month in order that they may control their local delegates.

"The practice is so extensive that it must have at least the tacit approval of those in charge", the Senator said.

The practice of using W. P. A. money to line up delegates has been going on for several months, VAN NUYS asserted.

"Investigations made by me here today proved to me that the charges are true. In every instance where I made an investigation it proved to be right", VAN NUYS declared.

Then, Mr. President, I desire to call attention to three articles which recently appeared in the Washington Post. The headlines are:

VOTES—AT ANY COST—THE AUTHENTIC STORY OF THE BUILDING OF A W. P. A. POLITICAL JUGGERNAUT IN WESTCHESTER COUNTY, N. Y., AT THE EXPENSE OF THE HUNGRY

By Agnes E. Meyer

Mrs. Meyer has been chairman of the Westchester County recreation commission for the past 13 years.

Mr. President, I desire to read the conclusion of those three articles. Those who read them must be convinced that

there was real evidence to support every charge made. However, Mrs. Meyer, at the conclusion of the third article had this to say:

And yet President Roosevelt, on pretext of the high production cost, opposes firmly the earmarking of moneys to Public Works Administration (P. W. A.), which in our county appears to be effective and honestly administered. It seems incredible that Members of Congress would turn over the entire billion and a half to President Roosevelt for W. P. A. if they knew conditions in Westchester County. Surely the facts and figures stated here are an unanswerable argument for turning work relief back to local authority even if Federal participation is provided. It would seem as if Congress were devoid not only of all feeling of responsibility to the American people, but of ordinary common sense if the W. P. A. is supplied with another fortune to squander without any check other than Mr. Hopkins' supervision.

For what I have shown here is merely a hasty summary of what is actually going on in Westchester County, and therefore presumably throughout the country. Even my own material is more ample. What forms of skulduggery the large and extremely secretive forces of W. P. A. are able to conceal can only be surmised. An official investigation of W. P. A. would make my story book like Sunday reading for a neophyte.

To sum up the case:

I accuse W. P. A. of using large sums of public money intended for the alleviation of unemployment, to build a Democratic political machine.

I accuse W. P. A. of discriminating between American citizens in a most despotic way for political purposes.

I accuse W. P. A. of petty extortion from defenseless relief cases to finance local political organization.

I accuse W. P. A. of waste, extravagance, and rank incompetence.

I accuse W. P. A. of having so intimidated the people that its tyrannical power is a menace to a free Nation.

And, finally, in the light of the facts presented in these articles, I accuse the present administration of seeking vast new appropriations from Congress for W. P. A., not in the interests of the Nation, but to insure its own continuation.

Mr. President, that is a serious charge made by a respectable and well-known woman in a highly valuable and well-known newspaper of Washington.

What has happened? Did Mr. Hopkins say anything in reply? No; he goes over to the House and hides behind the skirts of a woman Congressman who undertook to defend what had gone on in New York, and she showed conclusively by her efforts to defend that she knew practically nothing of what was going on in that county.

Mr. President, I wish to demonstrate one thing here today with respect to that fund. I wish to call attention to the State of Pennsylvania and to show to the Senate that Hopkins has stated publicly that Jones, the administrator, is one of the best administrators he has in the United States. It is that charge and with that information at hand, assuming that Hopkins was correct in saying that Administrator Jones was the best man that he had in the country, that caused me to make some inquiry with respect to the State of Pennsylvania. I have evidence here enough to last several hours in reading to the Senate. That is not the only reason I picked on Pennsylvania. I picked on Pennsylvania for another reason. In Pennsylvania the State legislature has adopted a resolution authorizing the investigation of W. P. A. in the State of Pennsylvania.

Before I get through I propose to show what this administration is doing to prevent that investigation from becoming effective. I have prepared a comparatively brief statement of the situation with respect to Jones in Pennsylvania. I propose to read it to the Senate and in this way put it in the RECORD, because I want the country to know the kind of a man who is administering this huge sum in the great State of Pennsylvania. I want to show that, like Hopkins, he has had practically no experience, and whatever experience he has had is of a shady character and one that would not warrant a careful man in selecting him for any particular and important job.

An examination of the files of the Construction Digest, published by the Digest Publishing Co., with offices in the Century Building, 130 to 134 Seventh Street, Pittsburgh, Pa., brings into existence an illustrated history which begins with an undersized four-page trade paper, and ends with the exhibit of an issue whose fat advertising columns should make it the envy of any publisher in the country.

The Construction Digest was founded by Edward Noel Jones, the present administrator of the Works Progress Administration in Pennsylvania, of whom Harry L. Hopkins has acclaimed to the country by medium of the press that Edward N. Jones is the best Works Progress administrator in the United States.

It is strange, indeed, that such a reputation should be so quickly won by a man who, during an extraordinary and comparatively brief business career, has launched many businesses on the sea of enterprise, all of which foundered and sank beneath the waves of feverish circumstances until their originator was swept by political winds into the haven of a prodigal and improvident Democratic administration.

I am reading the words of the man who made his own personal investigation, and I vouch for all that he said.

I should have said every single one of the many Jones enterprises has had "period" written after each experience; and even now the Construction Digest, the only one to continue in existence, does not bear his name at the masthead.

This trade paper, conceived as an aid and a possible requisite to contractors and builders, came into existence 7 years ago and probably owes its origin to the fact that Mr. Jones, while operating a ready-mixed cement company which he had organized, came in contact with many contractors. It may indeed go beyond that, for a few years previous, while acting as secretary to a former Pittsburgh mayor, Wm. Addison Magee, Jones' associates were contractors engaged in street and boulevard and bridge building. It makes no difference what contractor may have suggested or inspired the establishment of such a trade paper, the important fact is that Edward N. Jones worried through a period which is known to and may be shown to have been most precarious until, having made the lucky guess that the sun was to rise upon the Democratic Party, however brief it may shine, the editor enlarged his activities to include the publicizing of several Democratic campaigns. On the masthead of Construction Digest appears the name of Edward N. Jones, president, H. S. Yundt, treasurer. Then below, as is required by the Pennsylvania State law, appears the names of the editor, business manager, and advertising manager, who are Edward N. Jones, H. S. Yundt, and R. C. Muncaster. In the same position is printed the information that the Digest is published Wednesday and Saturday of each week; that it reports on all construction in Pittsburgh, Allegheny County, and tri-State territory, meaning the region including western Pennsylvania, eastern Ohio, and northern West Virginia; that it also publishes all highway construction news from this territory, and, an important thing to keep in mind, that this little 4-page trade paper may be subscribed to at the rate of \$20 per year. There also appears adjacent to the masthead a 3-inch block of official advertising of the United States Government for bids on a Federal Public Works construction job—just the one little ad, but a starter.

Referring to exhibit no. 2, which is issue 541, published February 2, 1935, we find that the Construction Digest is still published in the name of Edward N. Jones, president and editor; but exhibit no. 3, issue 542, published 4 days later, or on February 6, 1935, has a change in the masthead. The name of Edward N. Jones has been dropped; but coincident with this deletion, the name of Edward N. Jones appeared on the pay roll of the State of Pennsylvania in the capacity of secretary of labor and thereafter until the present day, during which interim there has been much advancement and much praise from Mr. Hopkins and much condemnation from various sources, including organized labor, for Mr. Jones. The Construction Digest also underwent a change. It waxed fat and obviously became profitable. A glance at exhibit no. 4, which is a photostat of pages 4 and 5 of issue 610, October 2, 1935, of this one-time 4-page publication, now expanding on occasions to 12 pages in a single issue, reveals what is technically known as a "double-truck spread", which means a full 2-page advertisement, inserted by a company manufacturing road-building machinery and construction power engines; and then exhibit no. 5

presents a photostat reproducing pages 2 and 3 of issue 625, published November 23, 1935, which shows the paper to be profitably heavy, and by that is meant "absolutely crowded", almost to the exclusion of news items, with official advertising on projects arranged by the Public Works Administration of the State of Pennsylvania.

These advertisements are accredited to various counties in the State of Pennsylvania, this particular page displaying official advertising of the Board of Public Education, city of Pittsburgh, Allegheny County; Hampton Township, Allegheny County; city of Dubois, Pa.; township of McCandless, Allegheny County; Millerstown, Pa., and so forth. It is worth noting that this class of advertising is paid for in Allegheny County at the rate of \$2.50 per inch, which may safely be assumed to be the rate for official advertising quoted generally, if quotations are ever necessary, to all municipalities in the State. As an instance of the value of official advertising of even one county, the following amounts which are officially recorded are quoted: In 1934 the Digest was paid \$453.76 by Allegheny County for official advertising. In 1935, the year during which Jones was connected with the State Government and also W. P. A. administrator, Allegheny County paid to the Digest the sum of \$1,491.25, and so far in the year 1936, for 3 months, the account already has reached \$500 and promises to greatly exceed the figures for 1935 if the present rate continues.

There are 67 counties in the State of Pennsylvania, and P. W. A. work is proceeding in many of them. Also, with contracting work being given a stimulus, it is said the circulation of the Digest at \$20 a year has increased by leaps and bounds and at present includes every contractor who either has or hopes to be connected with public work. This photostatic record presents more than a circumstantial indication of progress and profit incident to the political advancement and the assumption of political power by the founder of the Construction Digest, and it is not likely that anyone familiar with the sudden growth and experience of this journal will attribute its more recent prosperity to any sentimental interest on the part of its founder, who now finds himself so engrossed in arranging and supervising the expenditure of an important proportion of a billion dollars within the confines of Pennsylvania, to give the slightest attention to any of his business exploits prior to his happy landing in the Pennsylvania Democratic administration.

It has been definitely established that in some manner or other all of the business and political connections of Edward N. Jones have evolved from publications of one kind or another. His early association with the Honorable JOSEPH GUFFEY, a Member of the United States Senate, began back in 1914 at a time when Mr. Jones, after a brief and hurried apprenticeship as a cub reporter on Pittsburgh newspapers, began the publication of a periodical which he named the "Harpoon" and which name incidentally attached itself to the editor, who at that time became known as "Harpoon" Jones. It is still remarked in the city of Pittsburgh, especially by those who felt the point of the reckless-voiced Harpoon, that the publication was well named. It attained a reputation as a muckraking sheet on a limited but rather specific scale, and among the reforms it attempted was that of the Pittsburgh Railway Co.

This is not important, but it is incidental in that after reproducing a few reports of an investigation of the railway company made by Attorney C. K. Robinson, who then was a member of the law department of the city of Pittsburgh under Mayor William A. Magee, then serving his first term, and which greatly perturbed the company because it presented facts ordinarily considered beyond the possible discernment of a young muck-raking editor and discoverable only to the mature and trained attorney, these articles quickly ceased, and in their stead appeared full-page advertisements of the Philadelphia Co., the parent of the Pittsburgh Railways Co. The Harpoon had a brief existence, and its editor entered into businesses of different character, none of which was fortunate to live, until the World

War and the appointment of JOSEPH GUFFEY to the post of director, bureau of sales, under the Alien Property Custodian, brought Mr. GUFFEY and Mr. Jones together, the latter in the capacity of a public relations and advertising man, but curiously enough without official "portfolio" or attachment. The experiences of Mr. Jones during this period of several years have no direct relation to the subject under discussion, but it is worth noting that Mr. Jones communicated with friends of the former Mayor William A. Magee, who by this time was a Republican candidate for the second time for chief executive of the Pittsburgh government, and arranged that he could return to Pittsburgh and when he did so his astuteness and energy recommended him to be included in the Magee publicity staff. Magee was elected and Edward N. Jones became his secretary. The head of the Magee publicity staff, Mr. L. H. Goshorn, was named treasurer of Pittsburgh. Everybody about City Hall knew that Mayor Magee was having trouble because of the vaulting ambition of his secretary, Jones, who, when there was a vacancy in his cabinet due to the death of his public safety director, insisted that he was entitled to the place. Magee thought otherwise and whether or not he knew of a feud developing within his administration, he took the action to at least mollify strong feelings which had developed between Jones and Mr. Goshorn by appointing the youthful-appearing Jones the superintendent of police of the great City of Pittsburgh. Those were feverish times in the history of Pittsburgh and its people. Because of its geographical situation and the relative location of great scores of bonded whisky, bootlegging became big business and fabulous sums of money changed hands every day. Pittsburgh became a wide-open town. Gambling houses flourished. High-power beer was escorted from freight yards to receiving stations by mounted police and soon the good people of the city knocked at the door of the city fathers with such vehemence and determination that this august body, reciting the rumors of lawlessness, open gambling, commercialized vice and generally disgraceful conditions, ordered an investigation.

Mr. President, I call your attention to this particular fact because I shall later show that Jones is not in favor of investigations when investigations are aimed at him. I shall now read a few headlines from Pittsburgh newspapers:

November 15, 1923, Pittsburgh Chronicle Telegraph: "Superintendent of Police Jones Resigns" (resignation effective immediately).

November 28, 1923, the Gazette Times: "Council Hearings in Police Probe Start Monday."

December 5, 1923, Pittsburgh Chronicle Telegraph: "Don't Know Why Jones Resigned—Rook" (director of public safety).

December 6, 1923, the Pittsburgh Press: "Lawless Protected Here, Says Zahniser" (first witness in council probe).

December 11, 1923, Pittsburgh Chronicle Telegraph: "Police Probers Issue Subpena for Jones."

The Pittsburgh Press: "Issue Subpena for Jones."

December 12, 1923, Pittsburgh Chronicle Telegraph: "Jones Does Not Respond to Subpena."

The Pittsburgh Press: "Give Jones One More Chance to Appear in Police Probe."

December 13, 1923, The Pittsburgh Press: "Quit for Personal Reasons—Jones."

December 15, 1923, the Gazette Times: "Council Seeks Writ to Make Jones Talk."

Pittsburgh Chronicle Telegraph: "Court Asked to Force Jones to Testify."

The Pittsburgh Press: "Court Issues Writ on Jones."

December 18, 1923, Pittsburgh Chronicle Telegraph: "Jones Denies Probers' Right to Subpena."

The Pittsburgh Press: "Judges to Confer on Probe's Big Issue."

January 2, 1924, the Pittsburgh Press: "Jones' Appeal Halts Police Probe."

I call attention, Mr. President, to these facts for the purpose of demonstrating that Jones still has the desire not to be investigated because he is at the present moment blocking the efforts of the legislative committee of the State of Pennsylvania.

However, let me continue this little history of Jones because if Hopkins says he is the best administrator he has

had it is important that we find out how good the best really is.

At this juncture Edward N. Jones resigned as superintendent of police. There was a great journalistic outcry as to what lay behind this sudden resignation. Jones maintained absolute silence and for days in large black type spread across the pages of Pittsburgh newspapers appeared the query, "What happened to Jones?" Examination of the photostatic pages from the Municipal Record of Pittsburgh contains the entire history of that investigation.

I shall not refer to that because I do not want to take that much time.

The mayor of the city and the director of safety were invited by council to explain the mystery in connection with the Jones' resignation and it is recorded that both refused.

Mr. President, some people may not be greatly impressed with what I am putting in the RECORD; some people may not be greatly impressed that the fact that a man was some years ago forced to resign as superintendent of police has much to do with what he now does; but I call attention to the fact that we are spending millions of the people's money in the State of Pennsylvania and we are entitled to know the kind of a man who is spending it, and we are entitled to know how much effort Hopkins makes before making his selections.

Council accepted the explanation that Jones resigned because of the intolerable interference and intermeddling with his affairs by L. R. Goshorn, the official with whom he was at feud. This explanation had been ventured by a minister prominent in civic crusading, the Reverend Doctor Zanhiser, who declared he had the explanation from Mr. Jones, that he first was bound to secrecy but from which bond he was relieved at a later meeting of the investigating city council. The silence of all concerned was so successfully maintained as to wear out the patience of the newspapers and the oft-repeated "What happened to Jones?" finally disappeared from the first pages and in time disappeared altogether.

During his brief period as secretary to the mayor and as superintendent of police, E. N. Jones found time to found a weekly periodical—a rotogravure illustrated paper similar in appearance to that which is today flooding the State of Pennsylvania and which is entitled "We, the People", and which, also, is owned practically in its entirety by Edward N. Jones. In Pittsburgh it is generally remarked by those who know Mr. Jones that he has a rotogravure complex. He first used this style of printing in publicity for Mayor Magee. He established his weekly periodical in the same style; he injected a similar paper which was broadcast throughout Pennsylvania—and which was widely criticized for faked photographs of Pennsylvania politicians surrounding President Roosevelt in his office—during the Roosevelt campaign; also in the State and county campaigns succeeding; and completing the line with the present issuing rotogravure which is published in Harrisburg.

The detailed history of this man will be found to be very essential when other bricks in the structure are filled in.

Certain it is that up to date Director Harry L. Hopkins turns a deaf ear to all criticism of his Pennsylvania administrator; the frequent attempts to provide for a general investigation into the Jones' administration by the Senate have failed; charges and proofs that political coercion and political preference characterize the administration of works progress from one end of Pennsylvania to the other; and demands that this man Jones be removed, made upon the logical man to remove him, have fallen upon deaf ears. It would seem that a man selected by the Government of the United States to be placed in charge of public relief work for which the second largest allotment in the country has been made, and which originally was figured at one-quarter of a billion dollars, should have, instead of a chance enhancement by political achievement, both an experience and a character logically suggesting him for such an important position.

Those who have reviewed the career of Administrator Edward N. Jones cannot find a single incident of business

success to recommend him, according to the common rules of business, to advancement such as has been his lot. All of his ventures have been short-lived. In the courthouse of Allegheny County there is a record in the prothonotary's office which, while indicating the constant series of business difficulties, at the same time is the construction of a foundation and background so spongy that it is nothing short of amazing that it should escape attention in the consideration of an individual for a place of such enormous trust.

This record is in the form of recorded judgments, and while the description of circumstances in connection with them in many instances indicate personal difficulties, yet the essentiality of bringing all possible light to bear upon the make-up of a man whose administration of one-quarter of a billion dollars' worth of public business is so great that it is considered in the interest of public policy to uncover these pages of the past. There are on record in the county of Allegheny courthouse, under dates extending from October 1924 to January 1935, the latter being almost the date of Edward N. Jones entering into the cabinet of Governor Earle of Pennsylvania, a series of 18 judgments recorded. It is timely to remark that for the most part these judgments are for nominal sums—\$400, \$300, \$700, and so forth—and there are notations of returns to the effect that "no goods" could be discovered for the satisfaction of judgments.

The political history of Edward N. Jones is in keeping with his business record and just as insecure. During his early years as a reporter in Pittsburgh, like a chameleon, he took on the political aspect that harmonized with the policy of the paper employing him—the very first, the Pittsburgh Dispatch, Republican; the second, the Pittsburgh Post, Democratic; the Harpoon, radical; while with Mr. GUFFEY during his connection with the Alien Property Custodian, Wilson Democrat; while publicity man, secretary of chief of police for Mayor William A. Magee, Republican; when publicity man for Mayor William N. McNair, Senator Guffey, and Governor Earle, New Deal Democrat.

It is manifest from the records that the half dozen years preceding his connection with Democratic publicity and even afterward, up until his entry into Governor Earle's cabinet, were exceedingly lean ones for Administrator Jones. However, the last year has seen the blossoming and fattening of his brain child, the Construction Digest, for it feeds copiously in pastures of rich display and official advertising which cover the entire State of Pennsylvania, and all of this notwithstanding the fact that Jones' name was dropped from the masthead when he entered the Governor's cabinet. In keeping, however, with the complex for printing that has so generally been noted in Pittsburgh, Administrator Jones has found time and the means to establish another rotogravure paper which he calls "We, the people." It is true that his name does not appear on the masthead, nor does any other name for the matter of that, which is a direct violation of the State law of 1907 designated above, which requires that the name of the owner and managing editor shall appear on every issue or the publisher shall be guilty of a misdemeanor. It is true the law specifies "newspapers" and the Pennsylvania State charter, under which Mr. Jones publishes, gives him the right to publish, along with other printing rights, either "newspaper" or "news journal" and he may have the opinion that he is publishing the latter, therefore is not amenable to the law.

It is shown on the records in the Pennsylvania attorney general's office that of 500 shares of stock comprising the ownership of We, the People, Mr. Jones owns 498 and an employee whom he moved to Harrisburg from the Construction Digest, Mr. A. G. Mercer, owns 1 share, and the other 1 share is owned by Rowland I. Miller, who is listed as an attorney. It is to be remarked that the paid-in capital represented by shares held by these three incorporators was \$500, a fact which is noted in the Pennsylvania Charter Book, volume 359, page 75. However, the resourceful Mr. Jones, applying an ingenious method of financing this new publication ventured and caused to be sent to State employ-

ees and to Democratic district chairmen throughout the State of Pennsylvania, books of 24 subscription blanks, each to be sold at \$1 for a yearly subscription, and to put all the sales force possible behind it, he had the aid of the secretary of the Commonwealth and Democratic boss of Pennsylvania, Mr. David L. Lawrence, who sent a letter with these subscription blanks. This letter informed the recipient that an account had been opened in the headquarters of the Democratic Party of Pennsylvania in his name and would he kindly dispose of the 24 subscriptions at \$1 each as quickly as possible. It is a known fact that this paper has been subscribed to by a great many W. P. A. employees. The total subscription to date and the amount of money raised in this manner can be estimated on the basis of books having been sent to all State employees and on January 15, 1936, there were 18,352 employees on the pay roll under Governor Earle. If each of these sold one book of subscriptions, the publishers of *We, the People* would have in addition to the \$500 capital with which he began, the sum of \$440,448 immediately available, providing Mr. Lawrence's request that haste be observed was fulfilled by the volunteer members of the greatest numerical circulation staff ever known to have been attached to a publication.

Mr. President, Mr. Jones has attracted the attention of magazine writers as well as of writers of newspapers. I invite attention to the *American Mercury* for the month of May 1936, in which there is an article by Mr. Duncan Aikman which is worth reading. I shall quote from it briefly:

Among those who received the revelation was an engaging political adventurer by the name of Edward Noel Jones. A plausible gentleman in his late forties, Mr. Jones is still famous in Pittsburgh newspaper circles for having imposed himself as an experienced copy reader on the town's most refined daily of 25 years ago, half an hour after its coarsest rival had dismissed him as lacking in the necessary qualifications of a trial cub on space assignments. But his true vocation developed a few months later when he entered the dim border country of publishing and public-relations activities that lies between journalism and practical politics. Still in his hot pre-war youth, Jones press-agented one William A. Magee into the mayor's office with a kind of local preview of Chicago's "Big Bill the Builder" campaigns, and was rewarded, first with the municipal first private secretaryship, then with the superintendency of police. Vice and gambling scandals charged against the department forced Eddie into a tactical resignation from the latter position; yet he was able to retire on his celebrity into a ready-mixed concrete enterprise, with a public-works director for a partner and a sand and gravel combine of local contractors and traction magnates as prospective and eventually lucrative purchasers. In between paving jobs, he improvised roto-gravure magazines as a feature of local campaign publicity, and published the *Construction Digest*, a \$20-a-year periodical for contractors which carried all the official public works and highway department advertising. For a dozen years he lived high and handsomely off these pursuits, dining often in private rooms with the publishers of the Pittsburgh dailies, and developing, as the Allegheny County court records suggest, a relative immunity to judgments.

Eddie knew the arts of political ballyhoo from 25 years of expert practice; he had developed impressive recruiting and organizing gifts in himself, and he had the ear of the jobless. Therefore, in January 1935, when the Earle cabinet was formed, Eddie was a natural for the post of secretary of labor and industry. Later in the year, when the political possibilities of the W. P. A. set-up began to dawn on the little coterie of minority patronage experts and ex-Republican job traders who composed the political high command of the New Deal at Harrisburg, light on the problem of what "was necessary" in the joyous emergency shone clear and plain. Messrs. Earle and GUFFEY saw the proper personages in Washington. When the belching smoke of continuous press releases cleared slightly in Mr. Hopkins' office, Edward Noel Jones was W. P. A. administrator for Pennsylvania.

Mr. Jones replied with a 2-page circular letter "to all W. P. A. workers", calling on them in his best campaign ballyhoo style to enlist in war to the knife against President Roosevelt's partisan enemies. That the *Post-Gazette* was a typical example of a big, bad newspaper ganging up on a great-hearted, humanitarian President, was the theme bar of Eddie's bugle solo. With an adroit lameness he added:

"I don't know that anything can be done about it, but I do want you to know what this attack on the W. P. A. and on you means. . . . Big business wants to wreck the W. P. A. because big business is against President Roosevelt. Big business is for the law of the jungle—where the strong live off of the weak. Big business' idea of relief is soup kitchens. . . . President Roosevelt's idea of relief is work paid for with a security wage."

A few days later, however, John H. Laboon, a front-making Carnegie Tech ex-football player whom Eddie had appointed his

Allegheny County administrator, made it clear that the W. P. A. strategists had very definite ideas of what "could be done about it." Mr. Laboon, at a special meeting of W. P. A. executives and subexecutives, emphasized, with a frankness considered excessive even in Pittsburgh politics, that New Deal political and economic orthodoxy were officially recognized as the sole tests of W. P. A. job eligibility. Said the young party lieutenant:

"I tell you right now that any W. P. A. worker not in sympathy with the W. P. A. program and the Roosevelt administration will be eliminated from the W. P. A. pay roll in this district at quickly as I can act."

Then, just to tip off the hands that a good deal of first-class political spying was expected of a loyal W. P. A. straw boss, he added: "I want you men to report such cases without delay."

That bears out the oft-repeated statement which is going around all over the country that W. P. A. men in charge of these poor people, who have no jobs at all, say to them this one sentence: "Register as a Democrat, or else—", and they never finish the sentence. But reasonable men know that it is not necessary to finish it. Practice proves that the "else" means that they lose their jobs.

Continuing, this article says:

The stench of practical politics hangs, nevertheless, over an impressive share of the W. P. A.'s overt activities. Foremen and supervisors—always with the proper ward-chairman endorsements—have been generally appointed with a strictly political disregard of their qualifying experience for the projects in hand.

Mr. President, this situation has become so bad in Pennsylvania that the legislature undertook to act. I have here an article which I clipped from the *New York Herald Tribune* a few days ago, written by a special correspondent who had been sent to Pennsylvania for that purpose. I wish to quote certain parts of it. The heading is:

W. P. A. fights Pennsylvania inquiry into vote farming. Guffey machine resists State senate's search into link between relief jobs and election race. Press kept in dark by official secrecy. Seventy-one million spent so far, being carefully placed in areas Republican since days of Civil War.

The article says:

(By Leland Stowe)

PHILADELPHIA, May 28.—Pennsylvania today is warmed up for one of the hottest, hardest, and toughest electoral battles in its history next November. It is also the scene of a bitter attack upon its huge Works Progress Administration organization which is charged with being dominated by Senator JOSEPH F. GUFFEY's Democratic machine and with "vote building" by scientific apportionment of W. P. A.'s vast relief-work funds.

Pennsylvania possesses an abnormally large block of 36 Presidential votes in the Electoral College. Since its program was started the W. P. A. has expended to date more than \$71,000,000 in this State.

TWO HUNDRED AND SIXTY THOUSAND ON W. P. A. ROLLS

In 1932 Herbert Hoover carried Pennsylvania by a plurality of 157,000 and in 1934 Governor George H. Earle, a Democrat, defeated his Republican opponent by 60,000 votes. Three weeks ago Postmaster General James A. Farley confidently declared that the Democrats were certain to capture Pennsylvania in November, despite the fact that no Democratic nominee for the Presidency has carried this State since the Civil War.

Alongside Mr. Farley's statement and the narrow margin of Republican victory in 1932 political observers do not overlook the fact that Pennsylvania W. P. A. pay rolls now support no fewer than 260,000 citizens and voters.

Including dependents, wives, and older brothers and sisters, an absolute minimum of 400,000 Pennsylvania voters may be said to be sheltered cozily under W. P. A.'s beneficent roof. It requires no Einstein to figure out that one-quarter this number of votes, and perhaps a mere 50,000 of them, is very likely to decide whether Pennsylvania goes Democratic or Republican next autumn.

That is why the W. P. A. in Pennsylvania is completely clouded with political smoke of the most nauseous variety. Nobody knows just how much fire exists behind this barrage, but enough fire has been sighted to touch off the most bitter recriminations and to prompt an investigation by a special committee of the State senate. Tomorrow the senate committee, headed by State Senator G. Mason Owlett, will hold its first hearing in City Hall here. Even so, it will be a miracle if it gets very far, for the investigating committee's term of life is limited to that of the rapidly expiring special session of the State legislature, and W. P. A. officials appear to be obstructing and stalling all along the line.

INQUIRY IS RESISTED

It seems that a great many people would like to know the truth about W. P. A. in Pennsylvania, but no force has yet been found which is potent enough to get at it. According to the sad experience of Senator Owlett, even subpoenas to an official State hearing are of dubious value. Summonses were issued yesterday for four ranking W. P. A. officials to appear at tomorrow's proceedings. These were for John H. Rankin, W. P. A. director for the Philadelphia district; for Henry T. Seibert, personnel director; and for

E. Keye Hunter and Edward R. Yarnell, who are Rankin's principal assistants.

When the senate's sergeant at arms tried to serve subpoenas on these public servants they were again confounded by coincidence. Mr. Rankin was ill. Mr. Hunter was out and Mr. Seibert's secretary said he wasn't available, besides which he always had to know what his visitors wanted before he received them. Later Mr. Seibert, by telephone, informed Senator Owlett that Edward N. Jones, W. P. A. administrator for Pennsylvania and personal henchman of the Democratic boss, Senator GUFFEY, had issued strict orders that no information be given to the senate's investigating committee.

Administrator Jones is credited with being an expert on public relations, a profession which specializes in letting the public know what you want it to know. Actuated perhaps by his training as a publicity man, Jones has retained a lawyer to act as counsel for the four W. P. A. executives in Philadelphia who are being sought by the senate committee. Senator Owlett charges that Jones has adopted tactics to delay deliberately the investigation of W. P. A. in this State until the committee period of life has expired.

Following that, we find articles appearing in the Philadelphia Inquirer, one of them in particular calling attention to the fact that—

Rankin holds job without legal status.—Unconfirmed by Senators despite law; gets \$6,000 pay, \$1,000 more than set in Relief Act as needing approval of higher United States Chamber.—W. P. A. censorship fails to hide facts; "Jack" Kelly's brother receives pay just under \$5,000 figure, but his exact status remains undetermined.

The law is quoted here to this effect:

Any State or regional administrator receiving a salary of \$5,000 or more per annum from such appropriation (the vast \$4,880,000 congressional relief appropriation), except persons now serving as such under other law, shall be appointed by the President, by and with the advice and consent of the Senate.

I suppose it will be contended that this man is not a State or regional administrator; but, Mr. President, you and I know that the Senate intended and the Congress intended that any person receiving as much as \$5,000 under this act should be confirmed by the Senate. It appears, however, that this one man is receiving at least \$6,000 and has not been confirmed.

An article upon the same subject appeared in this morning's New York Herald Tribune. It is headed:

Affidavits show W. P. A. coercion in Pennsylvania. "Register and vote Democratic or lose job" is called slogan of bosses.

Here are the details of it, and I have in my office literally dozens of affidavits showing that this condition exists in Pennsylvania.

Let us see, now, what has happened and what is going on at this very moment. The newspapers have been filled with accounts of this situation in Pennsylvania. The legislature at Harrisburg passed a resolution and appointed a committee for the purpose of ascertaining what is being done with this money in Pennsylvania, the kind of a resolution that the Senate of the United States refused to pass; and what is the attitude of Mr. Jones and those under him? Are they rushing to that legislative body and giving them information? No; they are employing the district attorney's office to defend him in their determination not to give any facts in connection with it.

Mr. President, think of this administration doing that when we have seen in this very body itself Senators hunting to the very depths of the personal effects of individuals in order that they might find something pertaining to public matters. We have seen them condemned by the courts with respect to it, but this administration insists on doing it; and when the State of Pennsylvania, where this money is being used and where the State's own voters are being corrupted with the taxpayers' money, wishes to investigate the matter we find this administration sending its best lawyers before the courts, trying to prevent an investigation by a great legislature like that of the State of Pennsylvania.

Has anybody ever seen anything equal to that in America? Does anyone mean to say that a legislature may not inquire, merely because a man is spending Federal money, whether or not he is using that money to corrupt the voters of the State? The State of Pennsylvania provides the laws with respect to voting. The State of Pennsylvania provides the laws which undertake to punish persons for corrupting the voters. To say that a legislative body may not make in-

quiry with respect to any person it can find in Pennsylvania, it seems to me, shows that this administration is anxious now, as it always has been, to hide from the people of the country the real facts.

Mr. President, I started out to show how important it was that we guard against running the country into debt farther than that has been done. I called attention to the fact that we are spending \$3,000,000,000 more this year than we were spending in 1933. This very year, the year after the New Deal "prosperity" has returned, we find the Federal Government spending \$3,000,000,000 more than it spent the year after the New Deal came in! That being true, must we not do something about it?

I suggest in closing that perhaps the best thing we can do—although I think it would give to the President too much authority—would be to vote for the Vandenberg amendment, which is such a great improvement over what is being done that it would, in my judgment, arrest our onrush to destruction.

Whenever we can bring this country back to the place where we once thought it was, where it becomes necessary for the local communities to bear their share of the burden—whenever we can get it back there, we shall have hold of ourselves again, and we shall be in a position where we can once more go forward. But so long as we continue to let Hopkins improve the condition of those on relief by spending more of our money we are coming nearer to a dictatorship, we are coming nearer to the destruction of the United States; and when that time is reached nobody knows where he will want to go, because the United States may be as bad as Russia or some other European nation of which we are not particularly proud.

Mr. GUFFEY subsequently said: Mr. President, earlier in the afternoon, while I was absent from the Senate Chamber, the senior Senator from Delaware [Mr. HASTINGS] made an attack on Mr. Jones, the Works Progress Administrator for the State of Pennsylvania.

I think the Senator from Delaware has been misinformed, or if he had been properly informed he would have made his remarks differently. I now wish to add for his information a few figures.

Only a superficial perusal of the figures in reference to supervisory W. P. A. employment in Pennsylvania is necessary to enable one to realize how baseless are the charges of Democratic politics being prevalent in the Administration in that State.

The peak load of employment of the W. P. A. program was 290,000 persons; and under the 10-percent nonrelief provision this would have permitted the employment of 29,000 nonrelief supervisory personnel.

As a matter of fact, the peak nonrelief personnel was 17,765, or 6 percent of the peak load employment; but this does not mean that 17,765 nonrelief supervisors or foremen were named, because a large portion of the nonrelief total comprised mechanics and others not on relief who had to be requisitioned in order to complete the skilled force necessary to operate various projects. In addition to this, there were many cases where, because of budgetary deficiency in the family, social workers authorized a second placement, which had to be classified as nonrelief.

These deductions from the gross total of nonrelief personnel give a net nonrelief supervisory figure of 11,651, or 4 percent of the total peak load.

One factor which made possible this great reduction in authorized nonrelief personnel was the fact that more than 8,000 persons taken from the relief rolls were named to supervisory positions which the record showed them as being qualified to fill.

In Philadelphia there were named from the relief rolls to supervisory positions 1,496 persons, as against 1,992 designated from nonrelief.

The Nation-wide average of nonrelief supervisory personnel is 8.4 percent. The percentage for Pennsylvania, on the basis of our present quota, is 4.68 percent.

These figures certainly disprove any and all charges that the supervisory force of the W. P. A. in Pennsylvania has been selected on the basis of politics.

The best answer to all allegations that Edward N. Jones has operated the W. P. A. in Pennsylvania on a political basis may be found in these figures, which prove that if Jones had so desired he could have given to the Democratic organization some 13,000 supervisory positions; but, instead of doing so, he drew upon the relief rolls for almost 50 percent of his supervisory force.

The personal attack on Mr. Jones illustrates the lengths to which the Republican National Committee will go in an effort to besmirch anyone in an executive post in the W. P. A.

The Senator from Delaware charges that Jones profited from his connection with the Construction Digest. I challenge anyone to point to a single line of advertising in the Construction Digest which was not obtained in a legitimate and ethical manner.

In addition, when Mr. Jones was appointed secretary of labor and industry for the State of Pennsylvania, January 15, 1935, he severed all his connection with the Construction Digest.

The Senator from Delaware connects Mr. Jones with a publication called the Harpoon, which ceased publication 24 years ago.

The Senator charges that Jones attacked the utilities in the publication, but ceased his attacks when large advertisements were obtained from these utilities. I think, in all fairness to Mr. Jones, that the Senator from Delaware should file with the Senate copies of the publication containing these alleged advertisements. I am sure he will be unable to do so; and if this is the case, it seems to me that Mr. Jones is entitled to an apology.

Mr. WHEELER. Mr. President, what were the names of the periodicals to which the Senator has referred?

Mr. GUFFEY. The Construction Digest and the Harpoon, which ceased publication 24 years ago.

Mr. BARKLEY. Mr. President, perhaps the Senator from Delaware was trying to revive the harpoon. [Laughter.]

Mr. GUFFEY. If the Senator from Delaware would like to get facts concerning Mr. Jones, I am sure if he would call on my colleague the senior Senator from Pennsylvania [Mr. DAVIS] he would get a fine statement from him as to Mr. Jones' character and integrity.

Mr. WAGNER. Mr. President, do I understand the Senator from Pennsylvania to say that the senior Senator from Delaware was seeking facts? [Laughter.]

Mr. GUFFEY. Well, I thought if he was I wanted him to have them.

I do not wish to take up the time of the Senate this afternoon, when it is so busy on important proposed legislation; but I should like to have inserted in the RECORD, as part of my remarks, a speech delivered by Mr. Jones in Pittsburgh last winter. I think possibly that speech was the basis of the charge of the senior Senator from Delaware this afternoon. The speech was delivered when the seat of the former ownership of the Republican Party was in Pittsburgh. As it has now been transferred to Wilmington, Del., I think the senior Senator from Delaware should have a right to defend the present ownership.

I ask that the speech to which I refer be included in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The address is as follows:

ADDRESS BY EDWARD N. JONES, WORKS PROGRESS ADMINISTRATOR FOR PENNSYLVANIA, BEFORE THE HUNGRY CLUB, PITTSBURGH, PA., DECEMBER 30, 1935

When I was asked to indicate a title for my talk here today, I had to think a while before answering.

Of course, the obvious reply would have been "My subject will be the Works Progress Administration in Pennsylvania." Because that is a subject which happens to be uppermost in my mind these days and from the amount of space given to it in the news and editorial columns, especially in some newspapers, it seems to be a subject which for the moment is of paramount interest to many.

And there is much that I could tell you about the Works Progress Administration in Pennsylvania that would be first-hand information, uncensored and undistorted by those who would have you believe that our undertaking is not the success we know it to be.

There is much that I could say about the work we are doing in this State that would be of interest to men and women in every walk of life, because W. P. A. touches the affairs of human beings occupied in all forms of endeavor.

No plan for aiding the victims of the present depression would have been adequate or complete that did not recognize the fact that this economic catastrophe took its toll and wreaked its havoc in every strata of society.

And therefore W. P. A. provides opportunities for employment for men and women of all classes—laborers and untrained girls, skilled mechanics, and executives; men and women in almost all of the professions—musicians, actors, writers, draftsmen, engineers, nurses, teachers, and housekeepers.

The 230,000 persons now on W. P. A. payrolls in this Commonwealth represent a true cross section of our society, and one could talk for hours about the useful work that is being done on the 4,000 projects that are now under way in this State.

But what I want to discuss here today is not what the Works Progress Administration has done, not what the Works Progress Administration is doing, but what the Works Progress Administration could do and might do in Pennsylvania, and particularly in Pittsburgh, if there were men in places of power in public life and in industry and in finance who had vision—and not only vision but courage as well—courage to speak out before their fellow men and reveal what they know in their hearts to be true, and, after they have revealed the truth, to take the initiative and act and lead in accordance with the truth—as they see it.

Therefore, the title of my subject today is not the W. P. A., but Men Without Vision.

Among my Christmas presents was a book I have not found the time to read. It is James Breasted's work entitled "The Dawn of Conscience."

However, I did read one paragraph from the foreword which I am going to quote:

"It has not become a sinister commonplace in the life of the post-war generation that man has never had any hesitation in applying his increasing mechanical power to the destruction of his own kind. The World War has demonstrated the appalling possibilities of man's mechanical power of destruction."

No one for a moment will challenge that statement. But Mr. Breasted's foreword only tells half the story—only cites war as proof of the fact that man has never had any hesitation in applying his increasing mechanical power to the destruction of his own kind. In my humble opinion, this readiness to destroy humanity has been and is being demonstrated just as effectively under world peace as under world war.

But, in considering the appalling consequences of man's seeming mania for the destruction of his fellow man through the medium of his mechanical powers, we must not forget that this new-found power is being utilized not only to deal out physical destruction to men, women, and children during war, but also to accomplish economic and social destruction of mankind during the period of so-called peace.

You can form your own opinion as to which is the more disastrous and more costly to our boasted civilization—physical destruction of mankind or economic destruction of potential wealth producers.

In my humble opinion, economic destruction is far the costlier, far the more disastrous. Physical destruction entails only burial expenses—sometimes not even that. Economic destruction of mankind creates a financial and social debt that, while it may be calculated in money, the real cost to the Nation in the destruction of morale, of self-respect, of discipline, of character, can never be calculated.

This process of economic and social destruction has been steadily and cumulatively taking place in the community and in the State during the past two decades.

And, so that I am not misunderstood, I want to make it clear that I for one am not opposed to the invention and installation of labor-saving machinery in our mills and mines and factories.

The men who plan these installations are undoubtedly men of vision—but I say they are men of limited vision if they think that there is no moral obligations upon them to consider the effect and consequences to society of a decision to throw thousands of men and women into a permanent army of the unemployed so that manufacturing costs can be reduced and dividends maintained.

During the past few months the two largest steel producers in the Pittsburgh district announced proposed expenditures of scores of millions of dollars for plant modernization.

To keep up with their competitors such improvements are vital and necessary, and the executives of these corporations are to be complimented upon their technical initiative.

When the announcements were made in the newspapers that the Carnegie Steel Corporation and the Jones & Laughlin Steel Corporation were to spend scores of millions of dollars in the Pittsburgh district, they were hailed with rejoicing in newspaper editorials.

The expenditure of these millions will, it was claimed, restore to Pittsburgh something of her old-time supremacy in the world of steel.

But, may we ask, What price supremacy?

Due to the installation of labor-saving devices in Pennsylvania's mills, mines, and factories, there are today some three or four hundred thousand victims of technological unemployment in this State—men and women who will never get jobs even when business conditions return to normal.

These men and women represent a direct economic loss of some \$15,000,000 a month—\$180,000,000 a year.

In the anthracite region of this State are thousands of miners who never can or will return to the mines. The work they did is now being done better and cheaper by electrical robots.

So, too, in our bituminous-coal fields; and so, too, in this community—once known as the workshop of the world.

And in the face of all this it is now proposed by important units in our key industries to install more labor-saving devices to cut down manufacturing costs by the simple process of reducing the number of persons on the pay roll.

As I said before, one cannot quarrel with such executives for seeking more modern and more efficient methods of production.

But where these executives are delinquent—where they exhibit symptoms of economic and social astigmatism—is that they and others like them who occupy high positions in our industrial world give no indication of interest in what becomes of these discarded human beings whose economic and social destruction they calmly and unhesitatingly plan and accomplish through the exercise of their mechanical genius.

Has there ever appeared a news item in our public press about these captains of industry seeking conferences with National, State, or local officials to discuss ways and means of providing for these human discards?

Is there anything in the record to evidence the slightest concern on the part of these industrial and financial magnates over what happens to the ever-increasing army of the permanently unemployed—other than the published list of contributions to the community-chest fund?

Today in this State are some 400,000 heads of families who must be given work relief, direct relief, or allowed to starve.

Most of these men and women represent the discards of modern industry—the economic and, too often, the physical wreckage of our mills, mines, and factories.

It's costing someone about a quarter of a billion dollars a year to sustain these victims of our superefficient civilization.

Now, if these captains of commerce and these high lords of finance were really "men with vision" they could say, "We've got to modernize our plants or go out of business. And so we modernize our plants. We've got to reduce our operating costs and the most effective way to reduce operating costs is to reduce labor costs. It's too bad that we've got to discharge hundreds and thousands of our employees, but in view of the fact that the Federal, State, and local governments are taking care of this surplus labor, we don't feel so badly about it. We pay our share of the taxes that produce the funds to keep these men and women on relief."

Of course they do. But the trouble is that they do it because they are compelled to—not because they realize and accept it as an obligation. If they could, most of these rugged individualists would eliminate all relief taxes tomorrow.

They might set up soup kitchens or they might establish bread lines, and with relief taxes eliminated they might even increase their contributions to the community-chest fund.

That they are "men without vision" is proven by their attitude toward President Roosevelt's direct-relief and works-relief program.

Mr. Roosevelt recognizes and accepts not only the moral but the legal obligations of government to those discarded by business and industry. When he established the "dole" big business criticized him for wasting Federal funds. When he substitutes work relief for the "dole", big business objects that it is too costly.

And with all the resources at its command, big business is seeking to discredit the Works Progress Administration, sneering at a sincere endeavor to give employment to the men and women big business replaced with its mechanical robots in order that dividends might not be interrupted.

Have you ever read of the presidents or chairmen of the boards of directors of any of Pittsburgh's great industrial or financial institutions tendering to any Governor of this Commonwealth the assistance of their high-salaried staffs to find an answer to the question: What shall we do with our unemployed?

Instead of sneering at political "brain trusters", wouldn't you think that these captains of industry would offer to turn loose their own "brain trusters" on this problem—those keen, mechanical geniuses with three-decker brains who spend their days and nights inventing machinery and processes to still further increase the number of human discards?

Why do not the heads of these two great steel corporations that are planning the expenditure of some \$150,000,000 in this county for plant modernization—why don't they acknowledge the effect these improvements will have on unemployment in this country and in this State and, recognizing and acknowledging it, notify the Governor of this Commonwealth of their desire to join with him in seeking some plan for the rehabilitation of those they have already displaced and those they propose to displace with labor-saving machinery.

But how can you expect them to take such an unprecedented step when they are content to stand idly by while public officials, subject to their command, conspire to sabotage the Works Progress Administration in this community?

The Federal Government stands ready with an appropriation of \$2,500,000 a month to provide work for some 30,000 Pittsburgh men and women, many of whom are former employees of these corporations who have been replaced by mechanical robots. We are unable to spend the money—turn it over to these destitute and jobless persons—just because the executives of these industries that discarded them are not sufficiently concerned over their fate

to use their influence and omnipotent power to compel the public authorities of this city to provide worth-while projects.

The only captain of commerce in Pittsburgh that ever evinced the slightest interest in W. P. A. telephoned me last week. This man is the head of a great department store. Three days before Christmas he called to ask me to be sure that all W. P. A. workers got their pay before Christmas.

W. P. A. has been promised cooperation by the city authorities, but instead of cooperation all we get is studied sniping and secret scheming to make harder our task of placing some 30,000 unemployed citizens of Pittsburgh to work.

Mayor McNair and Director Johnson, assured that their tactics have the approval of the captains of finance and the overlords of industry, take advantage of every technicality to delay the program.

I wonder what the attitude toward a works-relief program in Pittsburgh would have been if the \$2,500,000 a month needed for pay rolls had been tendered by Uncle Andy instead of Uncle Sam.

Well, I can tell you. First of all there would be a great splurge of publicity and editorial comments praising Mr. Mellon as a great humanitarian and philanthropist in place of the criticism that is continually being made of W. P. A. by the mouthpieces of big business.

And then someone of course would pause to point out the difference between Mellon's millions and Uncle Sam's millions. Someone would most certainly remark that Mellon would be giving away his own money, whereas Uncle Sam's contribution didn't represent his money at all, but our money, taken from us by confiscatory taxation.

But any thinking person would readily understand that Uncle Andy and Uncle Sam both get their millions from the same source. The only difference is that Mellon has already got his while Uncle Sam has his to get through future taxation.

I said earlier in this talk that what I wanted to talk about today was not what W. P. A. has done but what W. P. A. could do in Pittsburgh and Allegheny County if there were men in places of power in public life and industry and in finance who had vision and courage and initiative.

Our program in Pittsburgh today is far from being the kind of program we would like to carry on in the city.

It is that kind of a program because that's the only kind of a program we can undertake under existing handicaps.

Mayor McNair and his public-works director, despite their public protestations of cooperation, have forced us to adopt this kind of a program. They have done so because they believe they are acting in accordance with the wishes of the house of Mellon and its hundreds of subsidiary interests.

If they thought for a moment that the house of Mellon favored a worthwhile public-works program, they would break their respective necks producing projects, money to pay for materials, and real cooperation.

If Mr. Mellon and his financial and industrial lieutenants cared a continental about Pittsburgh's army of industrial discards, we would now be working on projects which when completed could be pointed to as worth-while municipal assets.

Instead of Pittsburgh workmen having to be transported several miles every day to work, W. P. A. employees could right now be at work on the construction of a real wharf system around the Golden Triangle.

And instead of having to resort to every strategy to make jobs for discards of Pittsburgh steel mills, if the men who operate those steel mills had shown the slightest interest in their former employees, a worth-while program of real public enterprise would have been under way by now.

Let's not have any false concepts of the fundamental truths that apply in this present situation.

Briefly, they are:

First. In this community are over 100,000 employable men and women who are denied the opportunity for gainful employment due, for the most part, to their displacement in our key industries by labor-saving machinery.

Second. Plans are now under way to create still more of this technological unemployment.

Third. Because industry now does not provide for these men and women whose mental and manual labor helped create and build up these great enterprises, the Federal Government has appropriated a sum, approximately \$4,000,000 a month, to put these industrial discards to work.

Fourth. The Federal Government is being handicapped in caring for these wards of industry because public officials, subject to the command of these industrial executives, are of the opinion that industry doesn't want this works program to be effective.

Fifth. To date these industrial executives and their bosses, the overlords of finance, have not only refused to take any interest in the program of public works, conceived for the sole purpose of providing employment for these human discards, but are evidently opposed to the W. P. A. program on the theory that if it is successful President Roosevelt will get the credit—and they are against Roosevelt.

These are the men without vision who not only are unable to see the immediate result of their indifference, but who shut their eyes to the inevitable consequences of their contribution to the economic and social destruction of their fellow men.

Before concluding I would like to read to you a few paragraphs from a message written by Woodrow Wilson shortly before his death.

It is, I believe, equally applicable to the situation today as it was to conditions that were beginning to manifest themselves at the time it was written.

There are thoughtful and well-informed men all over the world who believe, with much apparently sound reason, that the abstract thing, the system, which we call capitalism, is indispensable to the industrial support and development of modern civilization. And yet everyone who has an intelligent knowledge of social forces must know that great and widespread reactions like that which is now unquestionably manifesting itself against capitalism do not occur without cause or provocation; and before we commit ourselves irreconcilably to an attitude of hostility to this movement of the time, we ought frankly to put to ourselves the question, "Is the capitalistic system unimpeachable?" Which is another way of saying, "Have capitalists generally used their power for the benefit of the countries in which their capital is employed and for the benefit of their fellow men?"

Is it not, on the contrary, too true that capitalists have often seemed to regard the men whom they used as mere instruments of profit whose physical and mental powers it was legitimate to exploit with as slight cost to themselves as possible, either of money or of sympathy? Have not many fine men who were actuated by the highest principles in every other relationship of life seemed to hold that generosity and humane feeling were not among the imperative mandates of conscience in the conduct of a banking business, or in the development of an industrial or commercial enterprise?

And, if these offenses against high morality and true citizenship have been frequently observable, are we to say that the blame for the present discontent and turbulence is wholly on the side of those who are in revolt against them? Ought we not, rather, to seek a way to remove such offenses and make life itself clean for those who will share honorably and cleanly in it?

Democracy has not yet made the world safe against irrational revolution. That supreme task, which is nothing less than the salvation of civilization, now faces democracy, insistent, imperative. There is no escaping it, unless everything we have built up is presently to fall in ruin about us; and the United States, as the greatest of democracies, must undertake it.

The road that leads away from revolution is clearly marked, for it is defined by the nature of men and of organized society. It therefore behooves us to study very carefully and very candidly the exact nature of the task and the means of its accomplishment.

The nature of men and of organized society dictates the maintenance in every field of action of the highest and purest standards of justice and of right dealing; and it is essential to efficacious thinking in this critical matter that we should not entertain a narrow or technical conception of justice. By justice the lawyer generally means the prompt, fair, and open application of impartial rules; but we call ours a Christian civilization, and a Christian conception of justice must be much higher. It must include sympathy and helpfulness and a willingness to forego self-interest in order to promote the welfare, happiness, and contentment of others and of the community as a whole. This is what our age is blindly feeling after in its reaction against what it deems the too great selfishness of the capitalistic system.

The sum of the whole matter is this, that our civilization cannot survive materially unless it is redeemed spiritually. It can be saved only by becoming permeated with the spirit of Christ and being made free and happy by the practices which spring out of that spirit. Only thus can discontent be driven out and all the shadows lifted from the road ahead.

Here is the final challenge to our churches, to our political organizations, and to our capitalists—to everyone who fears God or loves his country. Shall we not all earnestly cooperate to bring in the new day?

Mr. MINTON. Mr. President, the Senator from Delaware has designated his speech his "swan song"; and we are reminded that the swan, dying, sings, and having sung, dies. I, for one, shall very much regret the day, not far hence, when the voice of the distinguished Senator from Delaware will be heard no more in this Chamber. No one represents more ably, more sincerely, and more loyally the constituency which sent him here than does the distinguished Senator from Delaware. And when he spoke here this afternoon with great vehemence and vigor against the program of the present administration, he spoke with that same sincerity and that same loyalty to the cause he serves that ever characterizes the distinguished Senator from Delaware.

I was not privileged to hear all the Senator had to say on this occasion, and that is my loss. As I sat here, however, and listened to him throughout the greater part of his speech, I was sure that he must have reminded the Senate in the beginning of the tremendous debt that is hanging over this Nation today; he must have reminded us that we have today a national debt of something like \$31,000,000,000.

I remind my colleagues, and especially the Senator from Delaware, that of that \$31,000,000,000 of debt which hangs over this Nation today, \$16,000,000,000 of it is a carry-over from the war, money which we spent during the World War, in 1917 and 1918, day by day, by the hundreds of millions of

dollars, when we unbalanced the Budget every day that the war was carried on. Yet the constituents which the Senator from Delaware represents waxed fat on the profits of that great war, prosecuted for 2 years, and every day of it the Budget of this country was unbalanced, but there was not a chirp from them about an unbalanced Budget or about excessive taxes which would have to be levied to pay for the war.

Only a few weeks ago, in this very Chamber, we appropriated better than \$1,200,000,000 for the Army and the Navy of this country for 1 year; and where was the Senator from Delaware at that time? He was not even in the Chamber, he was not interested that we spend \$1,200,000,000 in preparing to make war, because that would put the profits in the pockets of the people in Wilmington, Del., whom the Senator so ably represents.

Of course we are spending money today. After we had the war debt reduced to \$16,000,000,000, we spent under Mr. Hoover about \$6,000,000,000 more, and what did we get? We got the worst panic the country ever experienced.

We spend a few billion dollars more to feed the hungry and the poor and the distressed, the victims of this depression, a depression not of their own making, and what do we hear from the Senator from Delaware? That to feed these people is all wrong. If I understood him in his speech correctly, he said that if appropriations are authorized in order to feed the hungry and starving people in this country who are the victims of the depression, we might as well tear up the Constitution. "Silly expenditures", he says, as he condemns this administration, which reaches down its hand in pity to pick up the stricken victims of the depression and put them back on the road to health and happiness. "Silly," hisses the Senator from Delaware. "Tear up the Constitution if that is justified."

I say to my colleagues in the Senate that if we can spend thirty-five or thirty-six billion dollars and make a lot of millionaires in this country, and give us a lot of problems which we struggle to solve in this day and age, if we can spend thirty-five or thirty-six billion dollars to march away the flower of this Nation to stand before an enemy's guns, and fall in defense of their country and die for their country, if we can spend billions of dollars that the flower of the Nation shall die for their country, then, in the name of God, why may we not spend a few billion dollars that men, women, and children might live for this country?

Mr. President, I do not know much about the situation in West Virginia; I leave that to those who are better able to discuss the West Virginia situation. I do not know much about the Pennsylvania situation as it relates to the expenditure of this sum of money in the interest of the poor people of this country, but I do know that the investigation about which the Senator from Delaware has been talking, which will presently proceed in the State of Pennsylvania, is an investigation authorized by a legislature which is Republican.

I remember reading in the newspaper the other day that a Republican senate rejected the relief measures for the people of Pennsylvania; that the Republican Senate of the State of Pennsylvania refused to do its part by the people who are in distress there. Then the same Republican Senate of the State of Pennsylvania adopted a resolution to investigate the only agency which is bringing relief to the distressed people of the State of Pennsylvania. Only today, when they go into court and demand a subpoena or a warrant to bring before them the people they desire to investigate, a Republican judge says they have not the power to carry on any such investigation.

Ah, God prosper the days to come of that investigation in Pennsylvania, because, in my humble opinion, it will reveal but one thing, that the Democratic Party fights on the side of the people today in distress, while the Republican Party, which brought on the depression under which we are living, which made the people the victims of the depression, continues to keep its heel on the necks of the downtrodden people of this country. I do not know much about Pennsylvania, but I do know this much about it—that the Democrats

propose to give relief to the distressed while the Republicans refuse relief.

I know something about the situation in Indiana referred to in the course of his remarks by the Senator from Delaware. I know this about the situation in Indiana, that the W. P. A. in my State has done the finest job that has been done throughout the United States; and I bar none. The State of Indiana has met its obligations in carrying on the P. W. A. work, and only one State from the Atlantic seaboard to the Pacific coast has contributed more toward its relief load than has the State of Indiana.

I know that when the charges were made by my distinguished colleague [Mr. VAN NUYS] of certain irregularities in the State of Indiana, with commendable alacrity the Department here in Washington entered upon an investigation of the charges the Senator made, and gave him an investigation which met with his hearty approval. The charges were all aired in the open; each and every one of them was investigated to the last detail, and the investigation and the results thereof revealed that the Senator's informants for the most part were not sustained; but that any semblance at all of politics in the W. P. A. in Indiana was scotched in the very beginning by the administration not only of the State of Indiana but the Administration here in Washington, with the result that the W. P. A. today stands in the State of Indiana vindicated of any charges of politics, and with a record of administration second to none in this country.

Mr. President, because of the expenditure of these large sums of money all of us feel more or less distressed. No one in this body or elsewhere gets any pleasure out of the duty which devolves upon us of expending what seems to us to be necessary to expend in the interest of the distressed people of this country. Of course, to do so the Budget must remain unbalanced. I regret that as much as anybody, and I hope the day is not far distant when the Budget may be balanced. However, I venture to say here and now that we shall not balance the Budget on the anguish and tears and suffering of citizens of this country who are the victims of this depression.

The Senator from Delaware says that the present administration has spent \$3,000,000,000 more than the Hoover administration spent in the last year of that administration. Undoubtedly that is true, but as I said in the beginning, in return for the expenditures under Hoover we got the worst panic ever seen in this country, whereas the expenditures and the wise policies adopted by this administration are gradually leading us out of the depression and to the dawn of a better day.

Mr. BARKLEY. Mr. President—

The PRESIDING OFFICER (Mr. MOORE in the chair). Does the Senator from Indiana yield to the Senator from Kentucky?

Mr. MINTON. I yield.

Mr. BARKLEY. In that connection I am sure the Senator realizes that the Hoover administration was not compelled to take over local relief because of the collapse of State, county, and city governments. That administration had no works program which was designed to give employment to the unemployed in the United States. That program has been inaugurated within the last 3 years. I am not conceding that it is accurate to say that the present administration has spent \$3,000,000,000 more than the Hoover administration spent, but, even if it be true, it certainly is offset by the fact that the present administration has been compelled to administer relief down into the smallest subdivisions of all the States, which was not required of the Hoover administration; and also that the present administration has worked out a works program which was designed to give employment to people, which was not true of the former administration.

Mr. MINTON. I thank the Senator for his remarks. The Hoover administration was not required to do the things which the Senator from Kentucky has pointed out. Even

if that administration had been required to do so, it would not have it done because it indicated that it was not in sympathy with such a program. We all remember that when the State, county, and municipal governments broke down under the load of relief it was pointed out on the floor of the Senate that the administration should come to the relief of the people. I remember it. I heard of it down in the hills of southern Indiana as it was sounded here on the floor of the Senate by the distinguished junior Senator from New York [Mr. WAGNER], the distinguished senior Senator from Wisconsin [Mr. LA FOLLETTE], and the distinguished senior Senator from Colorado [Mr. COSTIGAN], but they cried out as a voice in the wilderness to that administration to bring relief to the suffering people, and Mr. Hoover turned his back on them in the face of that calamity and said, "Go back to your own home people and let them take care of you", at a time when manifestly State agencies had broken down. So the present administration by force of circumstances was forced to take its place in defense of the citizens of the country who were in distress through no fault of their own, and, gradually, due to the expenditure of relief and works money and the adoption of the policy which the administration has consistently pursued, prosperity is returning to our Nation, so that whereas a short time ago we witnessed a wilderness of smokestacks grown cold, today there is a transformation and we see active, busy communities, the smokestacks of whose industries are belching forth smoke toward the heavens. At night the sky is red with the glare of the open furnaces. As one goes down the streets today he comes in contact with men in every community with the grime of toil upon their faces, and it looks good. All of these things have steadily progressed in the last few years under the Roosevelt administration.

As wonderful as all these material things are, they cannot compare with the spiritual things that have happened to this country. While we have been having material recovery we have been experiencing a spiritual revival in our country unparalleled in its history. A people who had lost faith in government, who had lost faith in their rulers, who had lost faith—yes—in everyone, have had their confidence and faith restored, and today, even now, we face the rainbow promise of a better day and we will not go back.

COAST GUARD NOMINATIONS: NOTIFICATION TO THE PRESIDENT

Mr. COPELAND. As in executive session, I ask unanimous consent that the President may be notified of the confirmation of nominations in the Coast Guard. It is important, as the young men are about to graduate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York? The Chair hears none, and the President will be notified.

FIRST DEFICIENCY APPROPRIATIONS

The Senate resumed consideration of the bill (H. R. 12624) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1936, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1936, and June 30, 1937, and for other purposes.

The PRESIDING OFFICER. The question is on the committee amendment on page 30, line 11.

Mr. ADAMS. Mr. President, I submit two perfecting amendments to that section which are offered on behalf of the committee.

The PRESIDING OFFICER. The first amendment to the committee amendment will be stated.

The LEGISLATIVE CLERK. On page 30, line 13, it is proposed to strike out "employed" and in lieu thereof to insert "appointed or employed in an administrative capacity."

Mr. McNARY. Mr. President, inasmuch as the Senate has returned to the consideration of the bill I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	King	Reynolds
Austin	Coolidge	La Follette	Robinson
Bachman	Copeland	Lewis	Russell
Bailey	Couzens	Loftin	Schwellenbach
Barbour	Davis	Loneragan	Sheppard
Barkley	Dieterich	Long	Shipstead
Benson	Duffy	McAdoo	Smith
Bilbo	Fletcher	McGill	Steiwer
Black	Frazier	McKellar	Thomas, Okla.
Bone	George	McNary	Thomas, Utah
Borah	Gerry	Maloney	Townsend
Brown	Gibson	Minton	Truman
Bulkley	Glass	Moore	Tydings
Bulow	Guffey	Murphy	Vandenberg
Burke	Hale	Murray	Van Nuys
Byrd	Hastings	Neely	Wagner
Byrnes	Hatch	Norris	Walsh
Capper	Hayden	O'Mahoney	Wheeler
Caraway	Holt	Overton	White
Carey	Johnson	Pope	
Chavez	Keyes	Radcliffe	

The PRESIDING OFFICER. Eighty-two Senators having answered to their names, a quorum is present.

The question is on the amendment to the committee amendment of the Senator from Colorado.

Mr. GEORGE. Mr. President, may the pending amendment be stated?

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment, on page 30, line 13, it is proposed to strike out the word "employed" and insert in lieu thereof the words "appointed or employed in an administrative capacity."

Mr. BORAH. Mr. President, I understand this amendment to the committee amendment comes in on page 30, line 13. I wish to make an inquiry about the amendment. The committee amendment reads:

No part of the funds carried in this appropriation shall be used to pay more than one-half of 1 percent of the total number of persons employed within any State who were nonresidents of the State at the time of the appointment or employment of such persons.

What would the amendment which the Senator from Colorado offers authorize?

Mr. ADAMS. The purpose of the amendment now offered is to change the effect of the committee amendment, which, as it appears in the printed bill, makes the percentage applicable to all those employed, so that it will apply only to those who were appointed and serve in an administrative capacity. It seemed to some of us that the amendment as drawn would apply to all those who were employed, for instance, on relief projects as individual applicants who may be now on the relief roll, and the amendment now offered would limit its application to the administrative staff. That is my understanding.

Mr. BORAH. Then, there would be no limitation as to the persons actually employed in other than administrative capacities.

Mr. ADAMS. That is correct. I will say that the junior Senator from Georgia [Mr. RUSSELL] offered the original amendment before the committee, and I imagine he can make a clearer statement of it than can I.

Mr. BORAH. I am very much interested in the amendment which was reported by the committee, and I should like therefore to know what the amendment is that the Senator from Colorado is offering to the committee amendment and what its effect is.

Mr. ADAMS. I should like to have the Senator from Georgia answer the Senator's question.

Mr. RUSSELL. Mr. President, I was called off the floor a moment ago and have just returned. Has the perfecting amendment been offered by the Senator from Colorado?

The PRESIDING OFFICER. It has.

Mr. POPE. Mr. President, let me inquire if it is the intention of the Senator from Georgia and the Senator from Colorado to offer a similar amendment in line 19 on the same page?

Mr. ADAMS. I have sent the amendments to the desk and will ask the clerk to read them. There are two amendments.

The PRESIDING OFFICER. The clerk will state the amendments.

The LEGISLATIVE CLERK. The first amendment is, on page 30, line 13, to strike out the word "employed" and in lieu thereof to insert "appointed or employed in an administrative capacity."

And the same amendment is inserted on page 30, line 18, after the word "persons."

Mr. POPE. That covers all that I had in mind.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. COPELAND. I think it would be most embarrassing if we were to place this limitation upon those who are employed, because if they cannot be so employed, they would have to be taken care of by somebody; they could not be shot at sunrise. I have no objection at all to the limitation upon those who administer the law, but it would be most embarrassing and inhumane, in my judgment, to have it apply to other persons.

Mr. RUSSELL. The intention of the amendment as originally drawn was to apply to those employed in administrative and supervisory capacities. As worded, it, perhaps, would have had the effect of disrupting certain projects which are now being carried on by workers from other States. It certainly would have a very adverse effect upon the transient camps and organizations of that kind. However, as modified by the amendment offered by those who have the bill in charge, it applies only to employees who are engaged in administrative and supervisory capacities.

I think the amendment is entirely proper. The idea of the Works Relief Administration is to afford employment to the unemployed and not to pay traveling expenses and cause any certain class to profit at the expense of those who are in need of funds. In my own State, which incidentally has the lowest wage scale I believe in the Nation, there have been times when the positions in the higher-salary brackets were practically all held by those imported from other States. The \$19-a-month jobs were filled by native Georgians, while the positions paying \$200 or \$300 a month in supervisory capacities were filled by those who were residents of other States and were brought in to take over the supervisory jobs. The purpose of the amendment is to make certain that the people within the various States who need employment shall be supervised by those who understand conditions within the States and to prohibit and to prevent what we refer to in my section as "carpetbagging"—bringing people from outside the State and giving them the most desirable positions.

I think that every State of this Union has within its borders a sufficient number of people of skill, experience, and of integrity to fill the administrative positions without importing outsiders from the four corners of the earth, frequently at Government expense.

Mr. BORAH. Mr. President, I quite agree with that proposition. The only thing I am anxious to know is whether any limitation is to be imposed in relation to the percentage as affecting those who may be employed, not those who may serve in administrative capacities.

Mr. RUSSELL. No such limitation will be imposed in view of the amendment that has been suggested by those having the bill in charge. There will be no limitation whatever as to those who are employed.

Mr. GEORGE. Mr. President, may I ask my colleague if this provision is intended to apply to the \$250,000,000 revolving fund reappropriated or released to the Works Progress Administration?

Mr. RUSSELL. The amendment was not drawn with that provision in mind; but, as the bill stands at present, I think the limitation would apply to all funds provided by the bill.

Mr. GEORGE. The reason I asked the question if it was intended to make it apply to that fund, to that appropriation, was, that fund is not an appropriation carried in the

bill. That appropriation has already been made; it is in the relief appropriation.

Mr. RUSSELL. I may say to my colleague that I have not studied the provision that allocates funds to the Public Works Administration, but if the funds are appropriated by this bill I should think the limitation would apply. If the funds are not appropriated by this bill, of course, it would not apply, because the amendment applies only to funds that are appropriated by the pending measure.

Mr. GEORGE. Then I should like to ask another question with reference to the language in line 18, which is as follows:

Nor shall more than 1 percent of the total amount allocated out of this appropriation for expenditures for any purpose within any State be paid as salaries, wages, or other compensation to persons who were not bona-fide residents of such State at the time of appointment or employment.

Is that intended to apply to professional services such as engineering or legal services that may be performed by those who are nonresidents of the State?

Mr. RUSSELL. I should say not, in view of the fact that the amendment has been modified to apply only to administrative positions. I did not think it would apply to positions of the character mentioned by my colleague. There has been some question raised as to that, but, on account of the objections which have been voiced by several Senators, no attempt was made to apply it specifically to engineering and legal help. I am of the personal opinion that it should apply, but I do not think that the amendment, as drafted at present, will apply to engineering and legal positions.

Mr. GEORGE. The provision now is made applicable to persons appointed or employed in administrative capacities.

Mr. RUSSELL. In administrative capacities only.

Mr. GEORGE. I think my colleague is quite right in saying that professional services of any kind would not be included.

Mr. RUSSELL. I should not think it would apply to engineering and legal services.

Mr. OVERTON. Mr. President—

Mr. RUSSELL. I yield to the Senator from Louisiana.

Mr. OVERTON. I gather from the explanation already made by the Senator that the amendment he has offered does not apply to what are designated as social workers who are employees.

Mr. RUSSELL. I should think it would apply to social workers in some of the cases I have in mind, because in many instances they occupy administrative positions. If a social worker or a lawyer or an engineer should occupy an administrative position, I should think the limitation would apply, but where an engineer was employed to design plans and specifications for the project I do not think it would apply, because he would not be acting in an administrative capacity.

Mr. OVERTON. Does it apply to that class of employees who are known as case workers?

Mr. RUSSELL. I should think that it would apply to them.

Mr. OVERTON. The reason I make the inquiry is that I understand there is need for the employment of persons of a certain amount of experience and qualified to perform that class of work, and for that reason it sometimes may be necessary to employ someone who is not a resident of the State.

Mr. RUSSELL. I know that argument has been raised, but I think things have come to a very poor pass when in any State in the Union a sufficient number of people who are natives of the State cannot be secured to carry on what is known as case work under the relief administration. In my judgment, those who live within a State are infinitely better prepared to do that work, because they are familiar with the local conditions, habits, and customs of the community in which they reside, and, of necessity, they know more about it than would one who was imported from a far-distant State and who had absolutely no conception of the living conditions, the customs, and practices within the section to which he was transferred.

Mr. OVERTON. I agree with the general principles announced by the Senator from Georgia and contained in the bill. I was simply seeking to obtain information in reference to the effect of the amendment if it were adopted.

Mr. RUSSELL. It is the intent of the committee that the limitation shall apply to the cases mentioned by the Senator from Louisiana?

Mr. FLETCHER. Mr. President, I inquire of the Senator from Georgia whether he would be willing to change one-half of 1 percent to 5?

Mr. RUSSELL. No; I would feel impelled to resist the amendment suggested by the Senator from Florida. I see no reason or occasion for such an amendment.

Mr. FLETCHER. Would the Senator be willing to strike out the word "were", in line 14, and insert "are"?

Mr. RUSSELL. I did not understand the Senator's question.

Mr. FLETCHER. Would the Senator be willing to strike out "were" and insert "are", so that it would read "are employed" instead of "were employed"?

Mr. RUSSELL. I see no necessity for such a change. I cannot see that it would improve or strengthen the provision.

Mr. McADOO. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from California?

Mr. RUSSELL. I am glad to yield.

Mr. McADOO. I am in sympathy with the purpose of the amendment insofar as it is an effort to have residents of the State in which the work is being done employed in the administrative work which is necessary in order to conduct the operations; but I am very much in doubt as to the arbitrary formula which it is proposed to apply. As the amendment is now framed it would restrict the number of persons who may be employed in administrative work to 1 percent of the number to be employed. That would mean, if 100 people were required in the performance of the administrative work on a project—and I shall now discuss the project feature of it only—only one nonresident could be employed. I am inclined to think the restriction might work a very great injury to the service we are trying to perform.

Let us take the case of flood-control work. In a conversation with General Markham, Chief of Engineers, he told me that on some of the flood-control projects—and he mentioned a particular one in my State—where at least 100 technical people are required in the performance of the work, they are not available locally. If the amendment should be adopted, he said, it would seriously hamstring the operations.

When we provide that only 1 percent of the total amount allocated out of the appropriation shall be employed for expenditure for any purpose to be paid as salaries or other compensation, we impose another arbitrary limitation which might work a very grave injustice. I understand on many of these projects at least 2½ percent should be permitted to be employed for technical service, and that they cannot always be obtained in the localities where the work is being done.

I think the amendment, however much we may sympathize with the purpose in view, may offer a very serious handicap upon operations of the service, and, for my part, I would be in favor of striking it out altogether. If it is to be inserted in the bill, I wish to suggest an amendment to my friend from Georgia.

The PRESIDING OFFICER. The time of the Senator from Georgia on the amendment has expired.

Mr. RUSSELL. Mr. President, I had overlooked the fact that limitation of debate applied. I shall reserve my time on the bill. I understand I have 15 minutes on the bill?

The PRESIDING OFFICER. The Senator is correct.

Mr. McADOO. I may say to the Senator from Georgia that to the extent I have invaded his time I am willing to surrender my own time to him.

The PRESIDING OFFICER. That may not be done under the unanimous-consent agreement.

Mr. McADOO. Mr. President, I suggest that there be added, at the end of line 20, page 30, after the word "employment", the words "Provided, That this shall not apply to any project administered by the War Department." That might take care of one of the difficulties which I believe is inherent in the amendment itself.

Mr. RUSSELL. I can see no objection to the amendment applying to the engineering force and supervisory engineers. Mr. McADOO. I understand the Senator is willing to accept my amendment?

Mr. RUSSELL. I have no objection if it is satisfactory to those who have the bill in charge. Many good reasons occur to me why it might be well to incorporate those words.

Mr. GLASS. Mr. President, I have no particular objection to the amendment, but I insist a technician is not necessarily an administrator. Of course, we have to employ technical service outside of the State.

Mr. RUSSELL. I agree the amendment is not at all necessary, but I cannot see that it would in anywise impair the efficacy of the provision, and therefore I am willing to accept it.

Mr. McADOO. I think an engineer is essentially a part of the administrative organization in work of this character.

Mr. NORRIS. Mr. President, I have quite serious doubts about the adoption of the amendment. It seems to me it could well be left to the discretion of those upon whom is enjoined the obligation of performing the work in a scientific way.

One year ago yesterday in the southern part of Nebraska, along the Republican River valley, occurred the greatest flood within the memory of the oldest inhabitant or of which there was any record in history. Into a section of the country which for 2 years had not been able to produce a crop on account of dry weather, except perhaps along this particular valley, came this flood which destroyed entirely either all the bridges for nearly 200 miles along the river or destroyed the approaches to the bridges.

In proportion to the amount of property and the number of inhabitants of the valley, there was greater destruction of human life and greater loss of property than was caused by the flood which occurred later in the eastern and north-eastern part of the United States. The flood in that valley was so well described by Mr. Lawrence, of the Public Relations Council, that I am going to ask the clerk to read his description of the damage done. In two or three places in his description I have stricken out the names of two or three officials, including my own, who had something to do with bringing about the repair of the damages, in order that there may be no possible criticism of a partisan or political nature. I ask that this description may be read in my time.

The PRESIDING OFFICER. Without objection, the clerk will read, as requested.

The legislative clerk read as follows:

NEBRASKA WORKS PROGRESS ADMINISTRATION,
DIVISION OF INFORMATION.

From: W. H. Lawrence, public relations counsel.

One year ago today the usually docile Republican River went on a mad rampage.

Precipitated by two successive cloudbursts and two days of ceaseless rainfall of unheard-of intensity, the small stream went crazy—transformed into a swirling, monstrous flood terror that surged through the long valley, killing people, tearing at railroad tracks, obliterating farmsteads, wrecking bridges, drowning livestock, inundating hundreds of miles of grainland, sweeping houses and other buildings from their foundations and setting them afloat to whirl crazily downstream, some to topple over and crack up as the crest of the wild yellow torrent smashed eastward down the valley.

Power lines were broken. Communication lines were down, and electric-light plants were out of commission, adding the terrors of darkness and silence to a distraught region. Dams broke, unleashing more tidal fury and heightening the wall of water roaring and boiling downstream. A tornado zigzagged diagonally across the countryside to multiply the horror.

Railroad tracks were twisted like wire and long sections of railroad ties were up-ended to resemble a picket fence. Highways on the floor of the valley were either washed out of existence or were under water.

The Republican River, a stream that is normally a couple of hundred yards wide, speedily spread out to a swath 2 miles wide in some places as tributary creeks from north and south poured their tremendous overload into the Republican so suddenly as to bring about a wash of tidal-wave proportions.

So suddenly did the flood strike that most of the valley's residents were in it before they could be warned, and most of those who were warned discarded the cautioning as absurd.

In their wake the churning water left:

Ninety-four persons drowned (approximately 30 of these bodies have not been recovered).

Three dead from the tornado.

Damage approximating \$2,000,000 done to property of the Burlington Railroad.

Other property damage totaling approximately \$8,000,000.

Three hundred and forty-one miles of highways damaged.

One thousand and seven buildings lost.

Three hundred and seven bridges lost.

Six hundred and seventeen buildings damaged.

Fifty-four thousand four hundred and seventy-nine acres of cropland damaged.

Two hundred and ninety horses lost.

Four hundred and two milk cows lost.

Two thousand eight hundred and twenty-five other cattle lost.

Forty-six thousand five hundred and seven chickens lost.

Local, State, and Federal authorities acted quickly to alleviate suffering in the valley and to start the rehabilitation work.

The American Red Cross was in the field before the flood reached its peak, and Nebraska communities responded quickly and generously to its appeal for funds.

Officials quickly obtained an emergency flood allotment of funds from Federal authorities.

The Nebraska Emergency Relief Administration poured men and money into the valley and Rowland Haynes (then F. E. R. A. administrator, now president of Omaha Municipal University) was appointed coordinator of the flood work.

Nine emergency Civilian Conservation camps were established at McCook, Superior, Franklin, Trenton, Cambridge, Arapahoe, Alma, Benkelman, and Red Cloud to bury dead animals, search for bodies, salvage property, and generally improve sanitary conditions. These camps were maintained for a month.

The N. E. R. A. established work camps at Benkelman, Trenton, McCook, Cambridge, Oxford, and Alma and brought relief workers from eastern Nebraska to help rebuild the valley.

State highway department crews were rushed into the valley to repair the flood-swept highway system and construct bridges that had been torn from their foundations or repair damaged spans.

During the first 2 months most of the work that was done was of the emergency type. Homes had to be rebuilt or cleaned, homeless families had to be fed and sheltered, debris had to be removed from the streets, and emergency transportation and communication facilities had to be established.

When the Works Progress Administration was set up in July the Republican River Valley was the first section of the State to receive its attention. When the N. E. R. A. stopped its work division the W. P. A. took over its labor camps.

Most of the W. P. A.'s work in the valley has been flood-prevention and flood-control work.

Today—exactly 1 year after the flood started—R. L. Heskett, W. P. A. engineer in charge of the river work, estimates the job of rehabilitation is about one-half done and another full year will be required to complete the work.

The president of the McCook Chamber of Commerce believes there should be at least 200 men in the valley for 2 or 3 years' time cleaning up and protecting the improvements that have been made during the last year.

"The W. P. A. and other governmental agencies have done splendid work already", the president of McCook Chamber of Commerce said, "and have accomplished a great deal, considering the amount of money and labor expended."

Peak employment during the emergency period after the flood was about 1,480 relief workers and an average of 800 men were employed on W. P. A. flood-control work for approximately 8 months. This is reduced now by the seasonal demand of private employment and State highway work.

Biggest spender in the valley was the Burlington Railroad, which not only repaired its \$2,000,000 worth of damage but added another \$1,000,000 to raise its roadbed and take it farther from the river. The N. E. R. A. spent approximately \$340,000 for immediate relief and flood-control work, while the W. P. A. has spent approximately \$200,000 since it went into operation in the valley September 20. The Red Cross spent approximately \$187,411 to aid the stricken area.

F. T. Darrow, assistant chief engineer of the Burlington Railroad, estimates it employed 2,500 men for 2½ months immediately after the flood and has provided several months' employment for more than 1,000 persons.

The State highway department, which spent about \$750,000 repairing the damaged roads, estimates its work provided 6 months' employment for approximately 400 men. The Federal Government provided \$276,000 emergency funds for road work, which was matched by a like amount of State funds. The highway department also drew \$158,000 from its maintenance fund for repairs.

Heskett, W. P. A. engineer, lists these W. P. A. accomplishments in the valley since the flood:

Twenty-five thousand lineal feet of jetties have been installed. Jetties are built to stop the river from cutting into the bank and to divert water into the regular channel. When a jetty is constructed, it backfills and reclaims land.

Construction of slightly more than 2 miles of river and tributary bridges. A 348-foot span over the Arickaree 1 mile west and one-half mile north of Haigler is the largest of the 55 W. P. A. built bridges.

Channel changes totaling 1¼ miles have been forced.

Five miles of dikes have been constructed.

City-street work has been done in a number of towns.

Debris has been cleaned up in city streets and the flood-swept channel has been opened somewhat.

Trees that blocked the channel were cut up and much of the wood was turned over to the counties for fuel for relief clients. Only two of the three "d's" that usually follow floods—death, destruction, and disease—came into Nebraska with last year's flood.

Very few communicable diseases were contracted by residents of the valley despite the piling up of debris and the flooding of wells. This probably was due to the vigilance of the N. E. R. A. nursing service, the Red Cross, and local physicians, which completely immunized 4,158 persons. Eighteen persons were vaccinated for smallpox after eight cases of this disease developed.

Nebraska National Guard men prevented the pilfering of property and aided in rescue work, as did experienced river workers detailed by the United States Army from Missouri river work.

Although much work has been done on public property, little has been accomplished on privately owned land. Most of the farmers, who had harvested no crops for 2 years before the flood, couldn't afford to spend much money reclaiming their damaged property.

The most arresting thing about the valley—to the casual visitor—is the miles upon miles of sand-covered land, most of which looks as though it will never be farmed again. A stretch about 3 miles wide down the length of the Republican River in Nebraska—about 250 miles—is covered with sand 3 and 4 feet deep and looks hopeless.

"What work should be done in the future?" was the question your correspondent asked throughout the valley.

Very few of the replies were the same. All agreed men should be kept at work cleaning the debris and doing the type of flood-control work now being done.

But no definite flood-control plan has been formulated for the valley. Only recently the Congress passed a measure providing for an Army survey to decide what work should be undertaken.

When this survey is completed, a definite program probably will be formulated, but until then—

The valley holds its breath, hoping another flood like last year's won't come along.

THE PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. ADAMS] to the amendment reported by the committee.

MR. RUSSELL. Mr. President, I should like to ask the Senator from Colorado if he will add the word "supervisory" to the amendment. I think that would clarify it somewhat.

MR. ADAMS. The Senator from Georgia would like to add to the amendment, where the word "administrative" appears, the word "supervisory", so as to read "administrative and supervisory"?

MR. RUSSELL. Yes, Mr. President.

MR. ADAMS. That will be agreeable.

THE PRESIDING OFFICER. The Senator from Colorado modifies his amendment. The question is on the amendment of the Senator from Colorado, as modified, to the amendment reported by the committee.

The modified amendment to the amendment was agreed to.

THE PRESIDING OFFICER. The second amendment proposed by the Senator from Colorado to the amendment reported by the committee will be stated.

THE LEGISLATIVE CLERK. On page 30, line 18, after the word "persons", it is proposed to add the same words.

MR. FLETCHER. Mr. President, the Senator from California [Mr. McAdoo] suggested an amendment at that point which I think would take the place of the amendment offered by the Senator from Colorado. Will not the Senator from Colorado accept the amendment offered by the Senator from California in lieu of his amendment?

MR. ADAMS. Yes, Mr. President.

THE PRESIDING OFFICER. That amendment comes afterward; and being in a separate place from the amendment just stated, the latter must be disposed of first. The question is on agreeing to the amendment offered by the Senator from Colorado to the amendment reported by the committee.

The amendment to the amendment was agreed to.

THE PRESIDING OFFICER. The amendment offered by the Senator from California [Mr. McAdoo] to the amendment reported by the committee will be stated.

THE LEGISLATIVE CLERK. On page 30, line 20, after the word "employment", it is proposed to insert:

Provided, That this shall not apply to any projects administered by the War Department.

MR. FLETCHER. Mr. President, instead of the word "this", I suggest the use of the words "this paragraph", so that the amendment would read:

Provided, That this paragraph shall not apply to any projects administered by the War Department.

I think there might be some ambiguity about the use merely of the word "this."

MR. McADOO. I accept the suggestion.

THE PRESIDING OFFICER. The Senator from California modifies his amendment in accordance with the suggestion of the Senator from Florida. The question is on agreeing to the modified amendment offered by the Senator from California to the amendment reported by the committee.

The modified amendment to the amendment was agreed to.

MR. JOHNSON. Mr. President, it is impossible for us to hear the proceedings on the other side of the Chamber; so I assume that we probably have reached the time when an amendment of which I spoke on Saturday last will be appropriate. If it be not appropriate I shall, of course, wait until the proper time shall arrive. It is an amendment to be made at the top of page 32.

MR. ADAMS. We have not reached that point. Have we finally disposed of the second paragraph on page 30?

THE PRESIDING OFFICER. No; the question now before the Senate is on agreeing to the committee amendment, as amended.

MR. BORAH. Mr. President, is the vote now to come on the amendment on page 30, beginning with line 11 and extending to line 20?

THE PRESIDING OFFICER. That is correct.

MR. BORAH. I should like to have the yeas and nays on the amendment.

The yeas and nays were not ordered.

THE PRESIDING OFFICER. The question is on agreeing to the amendment of the committee as amended. [Putting the question.] The yeas seem to have it.

MR. RUSSELL. I ask for a division.

On a division, the amendment, as amended, was agreed to.

MR. NEELY. Mr. President, I ask unanimous consent that the vote by which the amendment of the committee, on page 6, line 18, was agreed to, be reconsidered, and I shall then ask for the present consideration of an amendment to the amendment, which I send to the desk.

THE PRESIDING OFFICER. Is there objection to the request of the Senator. The Chair hears none, and the vote is reconsidered. The clerk will state the amendment to the amendment.

THE LEGISLATIVE CLERK. It is proposed, on page 6, line 18, to insert the following after the words "Senate Office Building":

For repairing and painting 435 corridor doors, for painting all outside window frames, and painting 104 rooms, \$44,180.

MR. NEELY. Mr. President, if the Senators will give me their undivided attention they will adopt the pending amendment within 5 minutes.

MR. BYRNES. Mr. President, I should like to hear what the proposed amendment is.

THE PRESIDING OFFICER. The clerk will again state the amendment.

THE LEGISLATIVE CLERK. On page 6, line 18, following the words "Senate Office Building", it is proposed to insert the words—

For repairing and painting 435 corridor doors, for painting all outside window frames, and painting 104 rooms, \$44,180.

MR. NEELY. Mr. President, the object of the amendment is to provide funds with which to defray the cost of painting 435 corridor doors which were last painted more than 15 years ago. Seventy-eight rooms in the new part of the Senate Office Building need painting because of the fact that they were originally painted on an emergency basis, and consequently the work was not permanently done.

The Members of the Senate should understand that unless the amendment is adopted their rooms cannot be painted during the present year. If the amendment prevails, the offices of the following will be promptly painted: Senators Pittman, Black, Frazier, Shipstead, Overton, Bailey, Logan, Bulow, Connally, King, Clark, Maloney, Costigan, Glass, Byrnes, Bachman, Norbeck, Metcalf, Carey, the Vice President; and Senators Adams, La Follette, Barbour, Murphy, Sheppard, Fletcher, Tydings, Byrd, Copeland, McNary, Nye, and Schwollenbach.

Mr. President, if the investment of millions of dollars which the Government has in this building is to be fully protected the amendment should prevail.

Mr. ADAMS. Mr. President, I think it should be stated that the Committee on Appropriations had before it this request. It called upon the Architect of the Capitol, Mr. Lynn, and after having heard his explanation we felt that the painting covered by this amendment was not necessary at this time.

I should say that we understood from Mr. Lynn that the particular painting called for was largely to be done in the new wing. It occurred to some of us that the new wing, which has been occupied only some 3 years, did not need repainting.

I am making this explanation so that the Senate may understand why the item was not included by the committee. We had no explanation from the chairman of the Committee on Rules, and I am sure that had he come before us and made a statement in his persuasive way, we would have recommended the item.

Mr. NEELY. The chairman of the Committee on Rules was not present when the item was considered by the Committee on Appropriations or the matter would have been submitted to the committee at the proper time. The responsibility is that of the Senate; it is not mine. It does not make any difference to me personally whether the amendment is adopted or rejected. But if it is rejected I do not want Senators to ask me to have their rooms painted during the next year, because there will be no funds with which to employ painters or to buy paint.

Mr. BYRNES. Mr. President, I merely desire to say, in addition to what has been stated by the Senator having the bill in charge, that the legislative appropriation bill carries appropriations of this character for the maintenance and upkeep of the Senate Office Building. A considerable sum, as I recall, was appropriated for such purposes, to be available during the next fiscal year.

The pending item is offered on a deficiency bill. When it was presented to the committee we concluded that it had no place in a deficiency bill. If the amount is necessary to be spent for the upkeep of the Senate Office Building, it should have been presented for the consideration of the proper committee in connection with the legislative appropriation bill. It was not presented when that bill was under consideration. As I recall, the Senator from Maryland [Mr. TYNINGS], the chairman of the subcommittee having that bill in charge, gave hearings to the officials having charge of the Senate Office Building in order to determine what amount should be spent. Now, in the closing days of the session, it is sought to add an amount on a deficiency bill. The only thing we could do when the matter was presented to us was to call upon the Architect of the Capitol, and he disagreed entirely from the Superintendent of the Senate Office Building, and stated that he believed this expenditure was not necessary.

I know that the Senator from West Virginia is absolutely convinced of the importance of this work, but I do not believe the Senate Office Building will be destroyed in the next 6 months, and I think we could very well tell the officials in charge of it that items of this kind should be presented to the committee having the legislative appropriation bill in charge, instead of presenting them as deficiency items, when they are not deficiencies.

Mr. NEELY. Mr. President, I concur in the statement of the Senator from South Carolina to the effect that this item should have been included in the legislative appropriation bill; but it was inadvertently omitted, and the Government's property should not be permitted to deteriorate because some one failed to perform his duty on time. But fortunately, in this matter, the error of the past can be corrected by adopting the amendment which is now before the Senate.

Mr. COPELAND. Mr. President, the chairman of the Committee on Rules spoke of some of my rooms. I do not care whether or not they are painted. But I desire to say, for the benefit of those in charge of the pending bill, without undertaking to be critical of either group, that it is a fact which anyone who has been chairman of the Committee on Rules, as I have been, will understand, that there

is not always cooperation and absolute harmony between the administration of the Senate Office Building and the Architect's Office. I am not saying this to be critical or disagreeable, but simply to state the fact.

It is the business of the chairman of the Committee on Rules to see to it that needed improvements are made in the Senate Office Building. I dare say the present chairman of the committee was not aware of the fact that this matter was pending. But it is not the business of the Architect of the Capitol to say what shall be done in the Senate Office Building, and a prudent business man seeking to keep his property in good condition, certainly is going to paint it when it needs to be painted.

I am aware of the conditions in the Senate Office Building, and I endorse everything the chairman of the Committee on Rules has said. I think the Senate should, without hesitation, give the chairman of the Committee on Rules the opportunity to have this item placed in some appropriation bill, though it is one which might more appropriately have gone into the legislative appropriation bill. In the absence of such opportunity to have it placed on that bill, I hope the amendment will be agreed to, and that the item will go into the pending bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from West Virginia [Mr. NEELY] to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 30, line 24, to strike out the words "Works Progress Administrator" and to insert in lieu thereof "President", so as to make the paragraph read:

The rates of pay for persons engaged upon projects under the foregoing appropriation shall be not less than the prevailing rates of pay for work of a similar nature as determined by the President.

The amendment was agreed to.

The next amendment was, on page 31, line 1, to strike out the words "Works Progress Administrator" and to insert in lieu thereof "President"; on page 31, line 5, to strike out the words "Works Progress Administration projects"; on the same page, line 6, after the word "need", to strike out "of such employment"; and on the same page, line 9, after the colon, to insert a proviso, so as to make the paragraph read as follows:

The President is authorized to prescribe such rules and regulations as may be necessary to carry out the purpose of the foregoing appropriation: *Provided, however,* That in the employment of persons, applicants in actual need whose names have not heretofore been placed on relief rolls shall be given the same eligibility for employment as applicants whose names have heretofore appeared on such rolls: *Provided further,* That the fact that a person is entitled to or has received either adjusted-service bonds or a Treasury check in payment of an adjusted-compensation certificate shall not be considered in determining actual need of such employment.

The amendment was agreed to.

Mr. BYRNES. Mr. President, on page 31, line 5, after the word "persons", I move to insert a comma, so that the language will be:

That in the employment of persons, applicants in actual need whose names have not heretofore been placed on relief rolls shall be given the same eligibility for employment as applicants whose names have heretofore appeared on such rolls:

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina.

The amendment was agreed to.

Mr. BYRNES. Mr. President, I offer another amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 31, line 13, after the word "employment", it is proposed to insert the following as a new paragraph:

In carrying out the purpose of the foregoing appropriation the President is authorized to utilize agencies within the Government and to empower such agencies to prescribe rules and regulations

to carry out the functions delegated to such agencies by the President.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from South Carolina. The amendment was agreed to.

Mr. BYRD. Mr. President, I should like to ask a question of the Senator from Colorado. The committee amendment, as I understand, makes available \$250,000,000 for the Federal Emergency Administrator of Public Works, and an amount not exceeding 30 percent may be granted on projects in excess of \$100,000, and 45 percent on projects below \$100,000. What loss does the Senator estimate will occur with respect to those loans?

Mr. ADAMS. Mr. President, there is one correction in the statement of the Senator from Virginia. This amount was altered by an amendment adopted Saturday, so that the amount stated herein is now \$300,000,000, not \$250,000,000. That is, an amendment was adopted as a substitute for lines 14 to 24 on page 31, and for the date in line 1, page 32. The other portion of the Senator's inquiry deals with the limitations sought to be imposed upon the grants that may be made.

My own view is that it was the desire of those who participated in drafting the amendment to have the money provided for as grants used as far as possible to construct as many projects and employ as many people as possible, and yet to conclude the work substantially within a year. We felt that the year's limitation would in part accomplish that. As to the larger projects, we felt that if the Government contributed only 30 percent we should have more projects.

If the 30 percent applied all the way through, this would be the result: By making 30-percent grants, and consuming the entire \$300,000,000, there could be construction in the amount of \$1,000,000,000. If 45-percent grants were made all the way through projects could be constructed in the aggregate of only \$666,000,000. Necessarily, with a billion dollars' worth of projects we shall employ more people than with \$666,000,000 worth. We felt that if the Government should donate 30 percent it would be doing its share.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. BARKLEY. That would be true provided the communities could put up the 70 percent. The amendment would tend to limit the ability of smaller and poorer communities to match the 30 percent put up by the Government, and in all probability would deny them the opportunity to have these projects. This would work in the interest of the larger and richer communities which could put up 70 percent instead of 55 percent.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. NORRIS. I desire to ask the Senator from Colorado a question. I do not understand the committee amendment. Is it intended to apply to projects that are now under consideration?

Mr. ADAMS. I think not. Entirely new money is provided here. The amendment does not apply to existing appropriations. It applies to the use of the \$300,000,000 that will be made available by this appropriation to the Secretary of the Interior for public works.

Mr. NORRIS. And would it apply to the case where a larger project had been commenced and partially completed, and on which allotments had been made? Would the rules under which that project was first started be changed by the amendment?

Mr. ADAMS. My understanding is that under the Public Works Administration, money has been set aside in each instance to complete the project.

Mr. NORRIS. That is not my understanding. I may be wrong, of course. My understanding is that allotments on a great many projects have been made to complete only part of the work; that it was understood and known that it could not be completed, for instance, in the first year. I

think further allotments will have to be made as time goes on.

Let us assume that a project is commenced and partially finished. The local people went into it on the theory that there was going to be a grant by the Government of 45 percent. Has that been changed now, so that there will be a grant of only 30 percent, or so that the project must be completed in a year, when it is known from the very nature of things that it cannot be completed within that length of time?

Mr. ADAMS. Mr. President, I do not understand the situation to be as the Senator from Nebraska states it. We had before us the representatives of the Public Works Administration, and I understand that every project which they have authorized has now had set aside to it the full amount of money necessary to complete it. If they made a 45-percent grant, the 45 percent is set aside and is obligated. In other words, the amendment does not apply to any project now under process of construction. It is limited exclusively to projects which are not now under construction.

The Secretary of the Interior said to us, "If this money is given to me, I shall be able to construct so many projects." He said, "I have a list of approved projects which have not been started, but they are ready to start"; and he expects to operate upon the list of approved projects, none of which are now under construction.

Mr. BARKLEY. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I yield.

Mr. BARKLEY. Even though the Senator's statement is correct that where projects have been started, and money has been allocated sufficiently to complete them—

Mr. NORRIS. Mr. President, suppose there has not been allocated enough money to complete them; what then?

Mr. BARKLEY. If there has not been allocated enough money, and it would be necessary to allocate more out of this appropriation, the amendment would apply; there is no doubt about it.

Mr. NORRIS. That is the way it seems to me; and that seems to me manifestly unjust and unfair.

Mr. BARKLEY. We all know that projects were sent forth by the Public Works Administration amounting to over \$2,000,000,000. It happened that many of them could not be approved or started because of lack of funds. All those that were started on a 45- and 55-percent basis. Out of this fund, the very same type of project which is to be begun in the future, but which would have been begun in the past if there had been enough money, must be limited to a 30- and 70-percent division. It seems to me the amendment is really putting the projects that are now under construction under the Public Works Administration on a basis that discriminates against those that could not get in because of a lack of funds on the part of the Public Works Administration.

Mr. ADAMS. Let me suggest to the Senator from Kentucky that next year, when the money is consumed and the local communities have to put up 100 percent, they will come back and say, "That is not fair. You are now making us build our own projects, and the Federal Government is paying nothing toward them."

Mr. BARKLEY. If, next year, all the communities will have to put up 100 percent, there will be no public-works bill before us.

Mr. ADAMS. Originally, under the law, there was no 30-percent proviso. For a year we have been giving larger grants than before, and now we are trying to assume a more modest Santa Claus policy.

Mr. BARKLEY. The reason why that policy was changed was because many of the smaller communities could not put up 70 percent. Many cities have already issued bonds on the basis of 45 percent and 55 percent in the hope that Congress will make more money available out of which they may build their projects. If we make the proportion 30

and 70 percent, those cities will have to have further elections and vote on whether or not to issue more bonds.

Mr. BYRD. Mr. President, I shall continue to yield to the Senator from Kentucky if he will have the time he consumes charged to himself.

Mr. BARKLEY. I do not wish to have anything more charged to me than is necessary, because I am guilty of enough as it is. I had forgotten the limitation on time.

The PRESIDING OFFICER. The Senator has 5 more minutes.

Mr. JOHNSON. Mr. President, will the Senator yield for a question?

Mr. BYRD. I yield.

Mr. JOHNSON. There was an amendment which I stated that I desired to offer, which will bring this question to a head. Perhaps the Senator from Virginia has a like amendment.

Mr. BYRD. Mr. President, before the Senator from California submits his amendment, I should like to have the attention of the Senator from Colorado. I should like to know how this is going to affect the Treasury of the United States, there being a 45-percent grant on all projects under \$100,000 and a 30-percent grant on all projects over \$100,000. Has the Senator estimated what the cost of such grants or gifts will be to the Treasury of the United States, and, if so, is the appropriation carried elsewhere in the bill?

Mr. ADAMS. Mr. President, this title of the bill contains two major items. One is an appropriation of \$1,425,000,000, which goes to the President to be distributed in accordance with his discretion under certain classifications. The second item is the one which has been under discussion.

Mr. BYRD. What part of this item comes out of the Treasury?

Mr. ADAMS. The \$1,425,000,000 is a direct appropriation. The Treasury, however, is affected by the \$300,000,000 in this way. The \$300,000,000 comes out of the securities that are now on hand. Under the existing law the Secretary cannot make grants from that fund, and so necessarily in the course of time the securities or their proceeds would go into the Treasury.

Mr. BYRD. Does the grant under this section come from the \$1,425,000,000?

Mr. ADAMS. It does not.

Mr. BYRD. Where does it come from?

Mr. ADAMS. Out of the securities now in the hands of the Public Works Administrator.

Mr. BYRD. How much will this amendment actually cost the Federal Treasury in the event \$300,000,000 is used?

Mr. ADAMS. It will cost \$300,000,000; that is the amount that can be granted; and it does not make any difference to the Treasury whether it is in 30-percent grants or 45-percent grants, because I have no doubt it will all go out.

Mr. BYRD. In other words, then, it is equivalent to a direct appropriation of \$300,000,000 in the event it is all used?

Mr. ADAMS. That will be the ultimate result, but it will not increase the appropriation at this time. It applies to money which is now on hand, but which is not available for expenditure, and makes it available for expenditure.

Mr. BYRD. To that extent then it diminishes the securities in the United States Treasury?

Mr. ADAMS. Yes, sir.

Mr. BYRD. Therefore, we are appropriating \$300,000,000 in addition to \$1,425,000,000?

Mr. ADAMS. I think that is the substantial result.

Mr. BYRD. And, in addition to that, there will be loans of 35 percent made to communities, and some loss may result from such loans.

Mr. ADAMS. The loan funds will be quite limited. There is only \$150,000,000 left in the loan fund.

Mr. BYRD. All I want to make clear is that we are adding \$300,000,000 to this relief bill for the purpose of constructing public works.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). The Senator will state it.

Mr. BARKLEY. I have been watching this amendment and I understood that it had not been acted upon. I understood we had reached line 14, on page 31. I desire to ask the Chair whether the amendment, beginning on line 14, page 31, and ending on line 11, page 32, has been acted upon.

The PRESIDING OFFICER. The parliamentary situation is this: On Saturday last an amendment offered by the Senator from Colorado was adopted to the committee amendment, commencing in line 14, page 31. The committee amendment has not as yet been adopted as it was amended.

Mr. BARKLEY. I desire to offer an amendment to strike out the proviso beginning in line 1, page 32, and ending with the word "percentum" in line 4.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. In the committee amendment, on page 32, beginning in line 1, it is proposed to strike out the following proviso:

Provided, That not more than 30 percent shall be granted on any such project the cost of which is more than \$100,000, and in no case shall the grant exceed 45 percent.

Mr. BARKLEY. I will modify the amendment to this extent, to strike out the proviso down to and including the word "and" in line 3, and insert a period there and begin the word "In" with a capital "I"; so that 45 percent, the limitation, would remain as there provided.

Mr. COPELAND. Mr. President, if the Senator will yield, let me inquire again what does he propose to do?

Mr. BARKLEY. I propose to strike out the proviso on page 32, beginning in line 1 down as far as the word "and" in line 3, which places the 30-percent limitation on the grants.

Mr. COPELAND. If the Senator will permit me, I think I would favor that proposal, and I should like to say just a word.

Mr. BARKLEY. Mr. President, we are operating under a limitation of time; and, if the Senator will speak in his own time, I will appreciate it.

Mr. COPELAND. Very well; I will speak in my own time. I think all I need to say is that I favor what the Senator is proposing.

The PRESIDING OFFICER. Would the Senator from Kentucky accept the suggestion of the Chair that the words "Provided, That" remain, so that it would read "Provided, That", and so forth?

Mr. BARKLEY. I accept that suggestion, and thank the Chair.

Mr. President, I hope the Senate will agree to this amendment, because otherwise the committee provision will operate as a very severe discrimination among communities of equal merit. We all know that out of the \$4,800,000,000 which was appropriated at the last session of Congress there was a small amount, comparatively speaking, allocated out of those funds to the Public Works Administration. All over the country counties and towns, and in some cases States, filed projects with the State director of the Public Works Administration. Those projects were investigated by the engineers and other investigators. They went through the mill, just as every other project went through the mill, in order to be approved by the State director, and reach Washington. More than \$2,000,000,000 worth of such projects, which were not forced on the local communities by anybody in Washington but which were originated in the communities themselves, were approved, and sent to the Secretary of the Interior as Director or Administrator of the Public Works Administration.

They had less than half a billion dollars with which to do \$2,000,000,000 worth of work. I do not know exactly the amount that was at the disposal of the Public Works Administration at that time, but it was not more than a half billion dollars. So, with over \$2,000,000,000 worth of projects on file and approved by the State administrators, it is necessary to go through them, comb them out, and exercise some arbitrary authority in determining which of these projects could be begun and money allocated for their completion.

Mr. FLETCHER. Mr. President, may I interrupt the Senator?

Mr. BARKLEY. I yield.

Mr. FLETCHER. Corroborating what the Senator has said, I have a telegram from the mayor of Tallahassee from which it appears that that city submitted an application which has been approved for a year and a half, but for the project there are no available funds. What condition will that city be in?

Mr. BARKLEY. It will be in the position of having to comply with the 70-30 percent provision if it is to get any consideration at all. It may have to readjust its whole local financial situation.

Mr. FLETCHER. Precisely.

Mr. BARKLEY. Many of these cities, as I said a little while ago, are acting on the belief that they will get a grant or loan or both, as the case may be, upon a 45-55-percent basis, issued bonds, and those bonds are ready for sale as soon as they can get word that the Federal Government is going to comply with what they understood at the time. If we impose this limitation, requiring all these communities to put up 70 percent instead of 55 percent, it means that they will not get the opportunity to improve their condition or they will have to readjust their financial situation, and in many cases they cannot do so.

Mr. McKELLAR. Mr. President—

Mr. BARKLEY. I yield.

Mr. McKELLAR. Mr. President, I merely wish to say that the information I have from the cities in my State is exactly that expressed by the Senator from Kentucky. It seems to me that a great hardship would be worked unless the matter be arranged.

In this connection I ask to have printed in the RECORD the telegram which I send to the desk.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

MEMPHIS, TENN.

HON. KENNETH MCKELLAR,
Senate Office Building:

City of Memphis using all funds available to carry out public-works program in this city and to pay city's share. Feel a reduction of P. W. A. grant from 45 to 30 percent would seriously curtail needed public improvements here and make it difficult to give employment to the large number of unemployed.

WATKINS OVERTON, Mayor.

Mr. BULKLEY. Mr. President—

Mr. BARKLEY. I yield to the Senator from Ohio.

Mr. BULKLEY. What chance would these communities have to readjust their financial situation in order to get the work done this year?

Mr. BARKLEY. They would have no chance. The answer to the question is perfectly obvious. The money made available to the Public Works Administration through the agency of the Reconstruction Finance Corporation and through securities already held does not mean that any new projects are going to originate in any community. It does not afford enough money to complete the projects already approved in the office of the Secretary of the Interior. The result will be that it will be necessary again to go through the list of approved projects and comb out those which it is felt are the most meritorious among those already on file.

I think it is unfair to communities, which have put in their applications on the basis of 55-45 and would have been granted the loan of money on that basis if we had appropriated for the Secretary of the Interior, now to require them to pay 70 percent when their neighbors get in for 55 because the Secretary of the Interior or the Public Works Administration felt that for some reason one community was more deserving than another in the matter of the appropriations which were to be used.

Mr. ADAMS. May I say for the information of the Senator that there is not an approved project in Kentucky which runs over the \$100,000 mark.

Mr. BARKLEY. Oh, Mr. President, I am not so provincial that I speak only for Kentucky.

Mr. ADAMS. But the Senator is very uneasy about Kentucky.

Mr. BARKLEY. I am speaking for the smaller communities all over the United States. I have a letter from the mayor of Louisville telling me if this amendment is incorporated in the bill it will affect two projects in the city of Louisville. I think he probably knows what he is talking about, although I do not doubt the sincerity of my friend from Colorado.

Mr. ADAMS. I am speaking from the record.

Mr. BARKLEY. If there were no projects in my State affected by the proposal, I would still think it unfair, because it completely changes the basis of relationship between the Federal Government and the States without any warning to the States and in spite of the fact that they have placed their applications on the 55-45-percent basis.

Mr. McADOO. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McADOO. May I ask the Senator from Kentucky if it is not a fact that in many of the cities and communities special elections have been held upon the theory that the 45-percent grant was going to be made, and the electors of such communities have voted bonds on the basis of the understanding that such grants would be made? If we change that basis now, will not all of those elections go for naught?

Mr. BARKLEY. It amounts to a denial of opportunity to those communities. I said a while ago that many of the communities had issued bonds. I did not say, which is the truth and I thank the Senator for reminding me of it, that in order to issue the bonds they had to call special elections. They have called them in many instances and voted bonds on this basis. It is not fair to cut the ground from under those communities in this way.

Mr. WAGNER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from New York?

Mr. BARKLEY. I yield.

Mr. WAGNER. I agree with everything the Senator has said and that the effect of the amendment would be to nullify the public-works program under which we are now able to put so many people to work. My own State would be affected in the same way.

Many communities in the State have held elections and have adjusted their finances so as to be able to meet the 55-percent requirement. The adoption of this amendment would mean they would not be able to qualify and they would have no public-works program.

I suggest to the Senator that I think it would still further improve his amendment if he would extend the time within which the projects are to be completed. It is now provided that the time limit shall be June 30, 1937. I think that is rather a drastic limitation and may eliminate some of the most desirable projects. One of our objectives is to select the more desirable projects. I think the time ought to be extended to 1938.

Mr. BARKLEY. I am willing to accept the suggestion by inserting "1938" at the beginning of line 1, page 32, instead of "1937." Time has been running against many of these projects because the money was not available and there was not the same basis for completion of the work as those projects which are now under consideration.

Mr. WAGNER. In many cases the most desirable projects are involved.

Mr. GLASS. Mr. President—

Mr. BARKLEY. I yield to the Senator from Virginia.

Mr. GLASS. This fund is allocated to projects which have already been selected by the Secretary of the Interior. No election has been held in consequence of this limitation. No election has been held which this limitation would affect in the slightest degree. It simply applies to projects which have already been designated by the Secretary of the Interior. The \$300,000,000 does not involve the appropriation of another dollar of new money.

Moreover, Senators are simply emphasizing the wretched delusion that the Federal Government is granting these cities something, making them a gift. They will have to

pay back every dollar whether it be called a loan or a gift, and Senators are simply fooling the people by calling it a grant or a gift, because it is nothing of the kind.

Mr. BARKLEY. In reply to the Senator from Virginia, the cities which will be benefited by the additional appropriation are on the same basis so far as applications are concerned as are the cities which were lucky enough to get any of the money already available. It is true that many of the cities in order to comply with the requirement of putting up 55 percent, had to issue bonds in order to do it, and had to call elections and have called elections. It is true that many cities which would be denied the money if the amendment were adopted as reported by the committee had gone through all the necessary steps in order to obtain the money which they had to have from other sources in order that they might comply with the 45-55 percent ratio requirement.

Mr. GLASS. Eventually their position will not be different from that of any other city, because all of them will have to pay it back.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. NORRIS. Let me suggest to the Senator from Kentucky, when he modifies his amendment by inserting "1938" instead of "1937", that many of the projects are now held up by injunctions which are pending. As to some of them the injunctions will not be disposed of in time to enable them to avail themselves of the grant.

Mr. BARKLEY. I have in mind a city whose council called an election to vote bonds to comply with the requirements of the Government in order to build a waterworks plant. An injunction was obtained against the election, and the election has not as yet been held because the case has not been decided. Certainly another year is not too much to ask in behalf of the community restricted in such a way.

Mr. NORRIS. I have in mind the case of Jacksonville, Ill. Bonds were voted after full discussion of the matter before the people, but in that case it was a question of constructing a municipal electric-light plant. The power interests obtained an injunction after the bonds had been voted.

Mr. GLASS. Has the Secretary of the Treasury allocated out of the \$4,800,000,000 the funds for the project?

Mr. NORRIS. I do not know what the facts are, but I know the city itself has been enjoined from issuing the bonds.

Mr. GLASS. Let us know what the facts are before we proceed. The chairman of the subcommittee of the Appropriations Committee has already said to the Senator from Nebraska that this particular fund does not relate to any work which is now under contract or which has been authorized.

Mr. BARKLEY. It would relate to it if a sufficient amount of money has not been allocated to complete the work, but if it took \$500,000 out of this fund to complete any such work, then it would not become available because the 30-70 percent ratio would not apply to it.

Mr. NORRIS. May I also call the Senator's attention to a project in my own State where the work has been commenced, where only a part of the allotment was made, and an injunction is now pending in the local courts in the city of Washington?

Mr. GLASS. Mr. President, the information before the Appropriations Committee, which came from the Secretary of the Interior, was that all projects which had been started had had allocated to them sufficient money to complete them.

Mr. BARKLEY. Even assuming that to be true, I would still be opposed to the amendment, because it requires other cities with projects just as meritorious to obtain the money on an entirely different basis from that which would be applied to the projects now under construction.

Mr. GLASS. Yes; it is just a hopeless case. We are going to keep on deluding the people of the country with the suggestion that they can get something for nothing, when, in reality, they cannot do it.

Mr. OVERTON. Mr. President—

Mr. BARKLEY. I yield to the Senator from Louisiana.

The PRESIDING OFFICER. The time of the Senator from Kentucky has expired.

Mr. OVERTON. Mr. President, I desire to take the floor in my own right.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. OVERTON. Mr. President, I agree with the contention made by the Senator from Kentucky [Mr. BARKLEY], and I am in thorough accord with the amendment he has suggested.

I wish to comment for a moment on the amendment suggested by the Senator from New York and reinforced by the approval of the Senator from Nebraska; namely, the amendment advancing the date on which a project may be completed from June 30, 1937, to June 30, 1938.

Mr. BARKLEY. Mr. President, if the Senator will yield, I have incorporated that in my amendment.

Mr. OVERTON. Yes; but I wish to make a further suggestion. I do not see the necessity for any limitation at all. As the Senator from Nebraska has pointed out, some of these projects may be met, as they have been met, with injunctions, and it will take some time to complete them. There are other projects which are very meritorious which cannot be completed by June 30, 1938. Let us take, for instance, a levee project for flood control. The project itself may require 3 or 4 or 5 or 6 or 7 years for completion. It is a meritorious project, and allocations would be made not to complete the entire project, but to assist in the construction of the project.

For instance, we have in our State a project which we have had in mind for some time, the Charity Hospital of New Orleans. That project has been knocking at the doors of the Public Works Administration from the very beginning. Unfortunately, it has not yet been recognized, and will not be recognized until certain laws enacted in Louisiana have been repealed.

Mr. GLASS. Mr. President, not a dollar of this fund will be available to it.

Mr. OVERTON. Why should it not be available?

Mr. GLASS. The Secretary of the Interior will tell the Senator that.

Mr. OVERTON. I cannot see the reason why it should not be available.

Mr. ADAMS. Mr. President—

Mr. OVERTON. Does the Senator from Colorado state that none of the funds in this particular provision of the bill would be available for a project of that character?

Mr. ADAMS. Mr. President, I desire to call the attention of the Senator from Louisiana to the fact that the New Orleans hospital project has been approved, and its application was on a 30-70-percent basis. It has asked for only 30 percent. That is the amount requested in the application. It has been approved for \$8,000,000, of which a third is to be a grant.

Mr. OVERTON. I am not now talking about the 30-70 application. I am talking about the time within which it can be substantially completed. In all probability it cannot be substantially completed within a year. It may not be substantially completed within 2 years; and yet the effect of this amendment would be to deny a project of that kind any consideration whatsoever.

I mention that merely as an illustration. Let me give another illustration.

We desire to build across the Mississippi River, at Baton Rouge, a combination highway and railway bridge. It will be a great artery of transcontinental transportation. It will be another great bridge spanning the lower Mississippi River; and yet under this provision, in all probability, that project will receive no consideration, because it cannot be substantially completed within the time limit. I think there ought not to be any time limit at all, but that the matter should be left to the discretion of the Administrator.

Mr. President, I desire to direct the attention of the Senator from Kentucky to the amendment he has offered and to ask him whether he would be willing to modify it by striking out of the committee amendment beginning on line 23

of page 31 with the word "capable" on down to the numerals "1937" in line 1, page 32. That would remove the time limitation that is included in the bill, and which I do not think ought to be there.

Mr. BARKLEY. Mr. President, replying to the Senator's suggestion, I will say that I appreciate the force of his argument; but the whole theory upon which the Works Progress and Public Works Administrations were organized was that an emergency existed in the way of employment which ought to be looked after, and that that employment ought to be brought about as speedily as possible, and that there ought to be some limitation upon the time within which these allocations might be made, in order that the immediate and emergent situations might be taken care of in the way of unemployment. I do not agree with the Senator to the extent of thinking that all time limits ought to be eliminated from the bill. I think there ought to be a reasonable limitation. The amendment I have offered provides for a limit of 2 years and 1 month from the present time.

Mr. OVERTON. Let me say to the Senator from Kentucky that a project requiring more than 2 years to complete is a project that is susceptible of putting men to work just as rapidly and as quickly and as effectively as a project that would take 6 months to complete.

Mr. BARKLEY. I realize that; but these projects are now all ready to begin. I see no reason why there should be an indefinite postponement of the beginning of the work, because the theory of all of it is that the men should be put to work at once; and for that reason I think there ought to be a limitation.

Mr. OVERTON. There would be no objection to a limitation on the time within which the project should be authorized.

The PRESIDING OFFICER. The Chair desires to direct the attention of the Senator from Kentucky, the Senator from Colorado, and the Senator from Louisiana to the parliamentary situation.

On Saturday the Senate adopted the amendment of the Senator from Colorado [Mr. ADAMS], which was a substitute for the language beginning on line 14 of page 31 and going to and including the figures "1937" on line 1, page 32. That was an amendment in the second degree, being an amendment to the committee amendment. In order to make in order the amendment which the Senator from Kentucky suggests, it would first be necessary to reconsider the amendment of the Senator from Colorado, and then it would be necessary for the Senator from Colorado to modify his amendment so that the amendment of the Senator from Kentucky would become a part of the amendment of the Senator from Colorado. Otherwise the amendment of the Senator from Kentucky would be an amendment in the third degree, and, under the rule, would not be in order.

Mr. BARKLEY. Mr. President, that does not apply to the remainder of my amendment on page 32. It applies only to the date "1937."

The PRESIDING OFFICER. It applies only to the date "1937." Is the Senator from Colorado willing to modify his amendment adopted on Saturday and to let it be reconsidered for that purpose?

Mr. GLASS. Mr. President, before the vote is taken I should like to remind Senators of something which they seem to have forgotten, and that is that the Supreme Court has decided the municipal bankruptcy law unconstitutional; and these towns which are going to run head over heels in debt cannot repudiate the debt. They will have it to pay.

Mr. HAYDEN. Mr. President, let me add that the life of the Public Works Administration was extended until June 30, 1937; and unless Congress extends the life of the parent organization I do not quite see how we can authorize it to do work beyond that time. The second reason the committee had for limiting this appropriation to June 30, 1937, was that the appropriations made for the Works Progress Administration under this title have a like limitation. They are available for the fiscal year and for the fiscal year only.

When Congress reconvenes next year, if it wants to extend the life of the Public Works Administration, or wants to extend the life of these appropriations or make future appropriations, it can properly be done.

Mr. OVERTON. Mr. President, I do not think the Senator from Arizona catches the exact purport of the language contained in the committee amendment. It refers to projects capable of being substantially completed by a certain time. Therefore, if a project is one which is not capable of being completed by June 1, 1937, it could not be considered at all.

Mr. HAYDEN. That is the point exactly. There must be a finding on the part of the Public Works Administrator, when he approves a project and allots money to it, that it is capable of being completed within the year.

Mr. OVERTON. That has nothing to do with the life of the Public Works Administration, because the Public Works Administration during its life may make an allocation for a project, work on which will extend beyond the life of the Public Works Administration.

Mr. HAYDEN. It can make a contract which will be binding beyond the date; everyone understands that; but it is incumbent upon the Public Works Administrator to find that in all probability, and within reason, the project can be completed within the year. He has a very wide choice of projects, and, speaking on behalf of the committee, our object was to get as many of them as possible completed within the year and give employment to the largest possible number of persons. So it seemed to me when the amendment was inserted that the reasoning behind it was sound.

Mr. BARKLEY. Mr. President, will the Senator from Louisiana yield?

Mr. OVERTON. I yield.

Mr. BARKLEY. In view of the parliamentary situation regarding the first part of the amendment, containing the date, I think it would be desirable to vote on the other part separately, and dispose of that. Then, if it is desirable, we could reconsider the vote by which the committee amendment was adopted on Saturday, in order to change the date, and that can either be done by unanimous consent or on motion. So, for the time being, I desire to modify the amendment by withdrawing the part of it changing the date, and we may have a vote on the other part.

Mr. OVERTON. Mr. President, I think the Senator from Colorado has no objection to considering the amendment proposed by the Senator from Kentucky, including the change of the date.

Mr. ADAMS. Mr. President, I prefer to have the amendments treated separately.

Mr. COPELAND. Mr. President, may I have the floor now? The Senator from Kentucky would not yield to me a while ago.

Mr. BARKLEY. Mr. President, I did yield for the Senator to say that he was in favor of my amendment, and I thanked him.

Mr. COPELAND. I find myself out of sympathy with very much of what is proposed to be done. I agree fully with the Senator from Virginia that at some time these bills must be paid. But, having said that for myself, I wish to speak now for two or three mayors and presidents of school boards in my State.

I noticed that the Senator from Colorado rebuked the Senator from Kentucky because there were not any \$100,000 projects in his State.

Mr. ADAMS. No; I referred to projects that had been approved, and that is quite a different thing.

Mr. COPELAND. Will the Senator permit me to say that there are quite a number of projects in New York State, however, which exceed \$100,000?

Mr. ADAMS. I have no doubt of that.

Mr. COPELAND. Mr. President, I hold in my hand a telegram from the mayor of Troy, a considerable city in our State, in which he states:

I have been advised of the possibility of P. W. A. funds being made available, but that the Federal grant may be refused for more than 45 percent. Will you use every effort possible to maintain present ratio of loans to grants, 45-percent grant and 55-

percent loan? Most urgent P. W. A. project for a high school approved and awaiting funds. Troy is in the same position as most New York State cities. We find it most difficult, if not impossible, to finance an additional 15-percent burden if grant is refused.

Likewise the president of the board of education of Mount Vernon, N. Y., telegraphs me:

Two projects already approved by the P. W. A. and already presented to citizens on the basis of a 45-percent grant will have to be thrown into the discard if grant is only 30 percent.

(At this point a visitor in the gallery created a slight disturbance. The Presiding Officer (Mr. SCHWELLENBACH in the chair) rapped with his gavel.)

Mr. COPELAND. I am not surprised at this man attempting to interrupt me. The feeling which probably actuates him I myself have had when listening to speeches of my colleagues. [Laughter.]

Mr. BARKLEY. Will the Senator advise us what his interruptor said?

Mr. COPELAND. I do not know what he said, but whatever it was it was appropriate, I have no doubt.

Mr. WHEELER. I think he merely asked the Senator if he would yield to him.

Mr. BARKLEY. The Senator did yield.

Mr. COPELAND. I have no doubt that what he said was more important than what I am about to say.

To continue my discussion at the point where I was interrupted by one who is probably one of my constituents, I should like to say further that I saw in the press this morning an article to the effect that the mayor of my home city, Mr. LaGuardia, stated that there were \$77,000,000 of projects in New York City which could not be proceeded with if the proposed change is made from 40 percent to 30 percent.

Regardless of how I feel personally about the pending bill and about the policy, I think it is quite unfair to communities now in process of perfecting their plans for loans and grants to be interrupted in their programs. One case which strongly attracted my attention was the application of my own native town, where a grant and loan were made. I know that in some communities great good has been done by this program, and I believe, too, that the plan has done much to enable progress with the development of the heavy-machinery industry and the purchase of building materials, and in many ways it has contributed to the restoration of prosperity.

I think I may say again to the Senator from Kentucky—forgiving him, of course, for his failure to permit me to interrupt him, and overlooking entirely his slight—that I still believe he is right, and I sincerely hope his motion may prevail.

Mr. ADAMS. Mr. President, it seems to me that the difference of opinion over 30 percent and 45 percent is a very minor matter compared with the foundation which underlies the argument. The argument which is made in support of the increased rate of grant and for the extension of the term seems all based on the fact that what we are seeking is to do something for cities, that we are attempting to do something for communities. We thought we were passing a relief bill. We thought there were people in need of food, of clothes, of shelter, and that we proposed to provide work for them upon useful projects, so that from the proceeds of their wages they could purchase their food, their clothes, and their shelter. If we follow the argument that is made here that these great projects cannot be completed within a year, and that we must extend the time beyond that, it means that less men will be fed and less will be clothed during this time of distress.

We are talking about a fund of \$300,000,000. It was put in the bill because the members of the committee thought it would be needed in the bill to provide relief for the unemployed. If we propose to spread the \$300,000,000 over 2 years instead of 1 year, we shall provide less relief for those whom we pretend we are looking after.

We have provided in the bill \$1,425,000,000 to go into the direct channels of relief under the direction of the President. That was all that the House put in the bill. The \$300,000,000

we are now discussing was not in the House bill. We put it in in the subcommittee in order to provide a measure of public works somewhat different in type, in order to continue what we regarded as a commendable, praiseworthy relief effort through that administration. We did not put it in the bill in order that a project might be completed for the benefit of some city, to save the taxpayers of some city. We did not think the discussion would be founded upon a claim that the United States Government was obligated to make gifts to the cities and to the counties and to the States. The argument is now being made that cities are being discriminated against in their receipt of benefits, of gifts, of donations from the Federal Government.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. BARKLEY. The Administrator of the Public Works Administration in all these matters, in deciding which cities would be approved and would have money allocated, took into consideration the unemployment condition in every one of them, and will continue to do so under this additional fund.

Mr. ADAMS. I say, Mr. President, that when we raise the percentage of the grant we lessen the number of persons employed this year.

Mr. BULKLEY. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. BULKLEY. I have before me a telegram from Hon. Edward J. Kelly, mayor of Chicago, who says:

Thirty-percent grants would decrease amount of work we could do.

The argument is that the amendment of the Senator from Kentucky increases the ability of communities to give employment to their people.

Mr. ADAMS. Mr. President, I do not wish to be presumptuous, but I venture to disagree even with Mayor Kelly upon the relief matter. It seems to me the 30-percent grant provides an opportunity for \$1,000,000,000 of construction; 45-percent grants will offer opportunity for \$666,000,000 of construction. If my mathematics is not greatly in error, we can give more work through the expenditure of \$1,000,000,000 than we can give through the expenditure of \$666,000,000.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. WAGNER. What the Senator says may be true, provided the projects can be inaugurated; but I have received communications not only from the mayor of New York but from most of the mayors of cities of my State, and they all agree that the 30-percent limitation, because of the appropriations they have already made, with the projects that have already been approved, will practically nullify the inauguration of these projects. Therefore the optimistic view which the Senator from Colorado takes I think is unjustified in view of the evidence, which is overwhelming and persuasive.

Mr. ADAMS. Mr. President, I am relying upon the testimony of representatives of the Public Works Administration before the committee.

I recognize the fact that the conference of mayors has met, and the conference of mayors has sent telegrams to all of us. The mayors are interested in getting money for their cities as corporate entities. I am interested in getting relief for those who are in need of food, clothes, and shelter. As for the claim that there are not enough projects, the Secretary of the Interior, as Public Works Administrator, says he can start, within 2 weeks, \$772,000,000 of the small type of projects which can be concluded within a year.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ADAMS. I am glad to yield.

Mr. BARKLEY. The Senator has repeatedly stated that this amendment was put in the bill in view of the testimony of representatives of the Public Works Administration. It is not the contention of the Senator that the Secretary of the Interior, as Public Works Administrator, favors this 30-percent limitation, is it?

Mr. ADAMS. I am not expressing an opinion as to that. I am telling the Senate that the Secretary of the Interior said what he could do as to the number of minor projects

which were approved, upon which he could go to work practically at once and which would give employment. I have no doubt that the Secretary of the Interior would like to have larger sums and be able to make larger grants. That is the normal attitude of mind of every man in public office.

Mr. BARKLEY. Of course, he does not get any more money whether the percentage is 30 percent or 45 percent; but, knowing the situation which exists with reference to projects, I think I am at liberty to say that if the Senator will consult the Secretary of the Interior, he will ascertain that in the Secretary's judgment this amendment is unwise.

Mr. ADAMS. I venture to say that that is rather immaterial to me.

Mr. President, just one other observation. I am among those who are very deeply concerned with regard to the financial future of the country. I think its political welfare and its social welfare are bound up in its financial welfare. I think we have proceeded along the road of great expenditures and great indebtedness to a point that approaches the danger point. If we shall proceed along the course indicated by the arguments made here that the Federal Government is obligated to furnish the money for every worthy project which every city and every State wants, I say to the Senate that the day of financial catastrophe will not be far off.

Mr. President, I am more fearful of the consequences of the attitude of mind which I see in this Chamber than I am of what is said outside. When Senators take the position that cities and counties and States have a right to come to the Congress of the United States and demand gifts, we are approaching a point of disaster. I am uneasy, I am fearful, I am afraid with that view abroad the result is inevitable, and that we ought to deal courageously with the problem as soon as possible.

Mr. JOHNSON. Mr. President, I have listened to the argument of the Senator from Colorado, and I cannot find myself in agreement with him at all.

When the Senator says that States and cities and counties and local subdivisions are now taking the attitude that they are asking gifts from the Government, he may be correct in the present attitude; but whence came the original invitation to communities, to cities, and to States to present projects? It came from the Government of the United States. The Federal Government extended its invitation to every community in the United States to present projects, on the theory that thereby the depression might be relieved, and unemployment might be banished from the land. So if there is an error in the situation that the Senator finds today—a psychological result and reflex—that error was committed by us and the Federal Government in its original invitations.

What happened? The invitations were accepted. The invitations were given and made, with specific rules covering them, to the cities of this country. In accordance with the rules and regulations of the Department and of the Government, projects were submitted in every aspect as the Government regulations directed. These projects were presented and were approved. The projects were presented after the communities had held their elections in the various cities of the land. Those elections provided for the issuance of bonds in order that the particular communities might pay their share under the Government invitation and the Government regulations.

After that has been done, after the invitation has been accepted, after the rules and regulations have been met in every aspect, after the cities have gone to the expense of holding elections, after the electors have approved the projects, and after the communities have presented the projects at the invitation of the Government, it is said that the rules of the game will be changed, and changing those rules will relate to something that is different entirely from the original invitation.

I invite the attention of my friends who are in favor of the amendment to another thought. I have been in favor of the amendment since the discussion started. Possibly we are not accomplishing the result which we seek to accomplish. I take it the amendment is designed for the purpose

of eliminating any idea of 30 percent of the grant that may be given to any project, and designed as well that projects shall be paid for in the fashion that projects were invited originally and in the fashion that those projects were voted upon by the people of the various communities.

I invite particularly the attention of the Senator from Kentucky to the fact that the amendment now reads as follows:

Provided, That in no case shall the grant exceed 45 percent.

What does that mean? All good lawyers upon the other side, those who deal with the Constitution and those who deal with lesser subjects, will, I believe, agree that there is an absolute discretion left by the amendment in the authorities who have charge of the projects to give such grants as they see fit up to 45 percent.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. JOHNSON. I yield.

Mr. BARKLEY. As my amendment was originally offered it struck out that language entirely, but I was persuaded by Members who were in sympathy with the amendment to modify it and accordingly did so. Of course, there is a discretion with the Administrator to grant less than 45 percent. I do not think there would be any harm done, however, by that discretion because I do not think he would go above 45 percent anyway.

Mr. JOHNSON. Quite so; but I suppose that the officials who would have this matter in charge—and we know not only their ability, their transcendent ability, but we listen to their eloquence, eloquence that has been unstinted during the past few months—may possibly change their view, considering the discretion they may exercise under a measure of this kind. If they change their view, they might say that the grants would be 20 percent or 25 percent or even 30 percent, or they might reach 45 percent.

Mr. BARKLEY. It is entirely possible that there may be some communities which would not want the entire 45-percent grant. If we fix the language so as to make it compulsory on the Secretary of the Interior to grant 45 percent, he might be compelled to grant more than the community desired. What I had in mind was to remove the limitation of 35 percent. What they have been doing has been to grant on the 45-55 percent basis. I do not want to embarrass the administration in determining that matter. I think it is probably true that they will all probably predicate upon the 45-55 basis.

Mr. JOHNSON. May I ask the Senator, who doubtless is more familiar with the subject matter than am I, if the rule has not been uniform upon the 45-55 basis, that being the division on the projects which were accepted by the Government?

Mr. BARKLEY. It has been uniform, with the possible exception that in some communities which did not need or desire the entire 45 percent and were willing to get along on less, it was the desire of the Administrator to accommodate them to that extent. That of course would make more money available for other communities. Wherever the community desired the full 45 percent it has been uniform practice to grant it on that basis.

Mr. JOHNSON. I am not finding fault with the Senator from Kentucky because I had this in mind last Saturday in exactly the fashion in which the Senator from Kentucky has presented it. But is it not true that what we do now is not to preserve the 45-55 percent basis, but simply to give the discretion to the official to do as he sees fit up to 45 percent?

Mr. BARKLEY. Undoubtedly the Senator is correct. It does leave it in his discretion, but he has had that discretion all the time and has exercised it by fixing the 45-55 basis.

Mr. JOHNSON. But it is the exercise of the discretion that has become now, by virtue of its exercise in like fashion for some years, a rule of action with him, and we are proposing to change that—and it is this particularly to which I call the attention of the Senator—by the amendment which we would make to the bill. We are not in reality accomplishing the purpose which is in the minds of all of us.

Mr. BARKLEY. Even if we strike out that language it would still leave the whole matter in his discretion.

Mr. JOHNSON. The Senator is entirely correct.

Mr. BARKLEY. There is no way by which we can remove the discretion in the administrative officer except to compel him to make a loan or grant of the 45 percent. We do not want to do that.

Mr. JOHNSON. I do not know whether or not the Senator is correct in that respect. We do want to provide that he shall not make the rule 30 percent in cases which are indicated in the amendment. That is quite true. What is it that we seek, therefore? What we seek is the rule which has been the rule in vogue, 45 percent of grants and 55 percent of community contribution.

Mr. BARKLEY. If the Senator will yield further, I think that regardless of any language of limitation it will continue to be 45-55 except in such cases as the community itself may not desire that much.

Mr. JOHNSON. If that be so, then the Senator would make the whole situation dependent upon the sweet will of the administrative officer in the future.

Mr. BARKLEY. That is where it has been all along.

Mr. JOHNSON. But the rule has been made now and sought to be changed in this bill, and we do not change it, so far as the small amount of grants is concerned, by the language which we now use.

Mr. BARKLEY. The rule has been 45-55. The committee amendment seeks to change that rule by making it 30-70. We are seeking to eliminate the 30-70 provision, which would restore the rule which has been in vogue all along, namely, 45-55.

Mr. JOHNSON. If the Senator says there is an absolute rule and there is discretion that exists, yes; but the language of the bill would leave it wholly discretionary with the administrative officers.

Mr. WAGNER. Mr. President, will the Senator from California yield?

Mr. JOHNSON. Certainly.

Mr. WAGNER. The discretionary power undoubtedly does exist with the Public Works Administrator to make a grant up to 45 percent; but we have heard no complaint, and no one has heard of any abuse of that discretion. There has been no discrimination against any particular community. I think the Senator may safely rely upon a continuation of that policy.

Mr. JOHNSON. If there is no complaint about an absolute discretion to the administrative officer, of course, what I say is of no consequence at all; but I scarcely agree with what the Senator says in that regard. If we are passing a law giving the discretion to do as he pleases to the administrative officer, let us leave it in that fashion. If we are passing a law to see that the rule we have had heretofore shall be observed in the future, we should say that 45 and 55 percent, respectively, shall be the admeasurement of what shall be done on the one hand by the Government, and on the other hand by the community.

Mr. WAGNER. I may say to the Senator from California that originally, when we incorporated in the act this discretionary power, it was thought that there ought to be a little flexibility in administration, so that if there are communities which are in a position to contribute more than 55 percent, they ought to be required to do so; but so far the rule has been uniform, and I have not heard of a single community in the country which has complained about the abuse of that discretionary power. I think it could be safely lodged there.

Mr. JOHNSON. The Senator may be entirely right, but that does not alter the fact of the construction of what we now write.

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. ADAMS. Mr. President, I desire to make an inquiry of the Senator from Kentucky [Mr. BARKLEY].

In view of the argument the Senator has made, which seems to be based upon the fact that many communities have held elections and voted bonds, would the Senator be

willing simply to write in the provision an exception, leaving the 30-percent grant except in the case of projects already approved by the Public Works Administrator, and for which bonds have been heretofore voted on the basis of a higher percentage?

Mr. LA FOLLETTE. Mr. President—

Mr. BARKLEY. No, Mr. President; I will say to the Senator that I could not accept such an amendment, because the argument I made emphasized the reason for not having this discrimination at all; but I do not think it ought to be held against cities which have not had elections, but which may wish to take advantage of this appropriation, and deny them because they have had no elections. I did not say that all the cities involved here had held elections. I said that many of them had; but even those which have not, and which are in a position to qualify, ought to be allowed to do so on the same terms as the others.

Mr. WAGNER. And are there not some communities which are not required to have an election, but which, nevertheless, have adjusted their financial structures to this requirement?

Mr. BARKLEY. Oh, yes; the elections have been held only where the law requires the cities to hold elections. In other cases they do not have to hold elections, but they may issue bonds by ordinance of the city council, or through other machinery.

Mr. BONE. Mr. President, in case the language which is now in the bill should remain—that is to say, the 45-percent provision—I should like to ask the Senator from Colorado [Mr. ADAMS] if he believes, or to ask the Senator from California [Mr. JOHNSON] if he believes, that the average city or community would seek less than 45 percent by way of a grant?

In asking the question, I wish to say to the Senators to whom I have referred that I just cannot imagine the average community seeking less than a 45-percent grant. Perhaps I am in error in that; but the average American community is generally pressed with debts. The communities are perfectly human about it. I know that the average community in my State would naturally seek a 45-percent grant, and I cannot understand why the flexible language is in the bill. I think we might just as well give them the 45 percent and be done with it.

Mr. BARKLEY. Mr. President, if the Senator from Colorado will permit me, I have just glanced over a list of the projects in the State of Idaho where the loan was even less than 30 percent in some cases. There are some communities which are able to carry on their projects with the 70-percent local allocation out of their own taxes, and where they can do that they do not desire to borrow any more than they have to borrow.

There are projects all over the country—probably they are not in a majority, they may be in a very decided minority, but there are such projects—where the community has been not only willing but entirely satisfied to receive less than 45 percent, in some cases even below 30 percent. Where there is such a community, I do not think it ought to be denied the right to put up as much cash as it is able to furnish and borrow the rest from the Government, not to exceed 45 percent.

Mr. BONE. Mr. President, I quite agree with the Senator, but that, of course, is an appeal to the pride of the community, not to seek any more in the way of a grant than is absolutely necessary. Again I say that the average community is pretty hard hit in these days, and I know the average community in my State would much prefer a 45-percent grant.

Mr. BARKLEY. What I am seeking to do is to allow them to have a 45-percent grant if they need it. As the bill is drawn, without my amendment, they cannot get more than 30 percent, and I am seeking to enlarge it so that they can receive 45 percent.

Mr. POPE. Mr. President, the Senator from Washington has just made the remark that he cannot see that the average community would ever ask for less than 45 percent. Of course, I think the communities in Idaho are above the

average, but I hold in my hand a statement of the applications received under the Emergency Relief Appropriation Act of 1935, and as I glance down the list I find that in about one-third of the cases where funds which have been furnished to cities, or where it has been agreed they will be furnished, covering the entire cost of the projects, the amounts are loans entirely, and no grants at all have been made. They are straight loans. In other cases, I find by a hasty calculation, a 10-percent grant has been made in some cases, and in other cases 25 percent. They vary all the way from straight loans up to 45-percent grants. So that I think the provision under discussion has certainly been applied in the past, and the contracts, with the amounts which it is understood will be received from the Government, have been made on that basis.

Mr. BONE. Mr. President, I know how the Senator feels about the communities in Idaho, but I am wondering how they exercise so much self-restraint.

Mr. POPE. I think that is due to the character of the people of Idaho. They do exercise self-restraint and do not borrow more than they need.

Mr. BONE. That is not the point. They do not borrow more than they need, but the point is that, according to the Senator's statement, they are waiving a right to take nearly 50 percent of the total amount as a gift, and that is a forbearance which is a little difficult to understand.

Mr. POPE. I will go further and say that they do not request a grant or loan of more than they need.

Mr. BULKLEY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD about 50 telegrams from mayors of cities in support of the amendment of the Senator from Kentucky.

The PRESIDING OFFICER. Is there objection?

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

AKRON, OHIO, May 30, 1936.

Senator ROBERT J. BULKLEY,
Washington, D. C.:

Senate bill P. W. A. project only allowing 30-percent grant inadequate in order for city to avail of any grant. It should be 45 percent. Appreciate your cooperation.

LEE D. SCHROY, Mayor.

CANTON, OHIO, May 30, 1936.

Senator ROBERT J. BULKLEY,
Senate Chamber, Washington, D. C.:

Many P. W. A. projects in Stark County already approved awaiting available funds. Thirty-percent grant inadequate. Stark County urges the full 45-percent grant.

JIM SECCOMBE, Mayor.

CAREY, OHIO, June 1, 1936.

Senator ROBERT J. BULKLEY,
Washington, D. C.:

Please oppose measure reducing P. W. A. grants as it would work a hardship on this village.

C. E. HUNTER, Mayor.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,

Washington, D. C.:

Reduction of grant from 45 to 30 would hurt P. W. A. in Ohio. There are scores of projects which are bound to fail if such change is made.

C. A. DYKSTRA,
City Manager, Cincinnati.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,

Washington, D. C.:

Any reduction from 45 percent on Public Works Administration projects will in our opinion make it impossible for city of Akron to participate in pending or future projects. Please urge continuation of 45-percent grant.

LEE D. SCHROY,
Mayor, City of Akron, Ohio.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,

Washington, D. C.:

Relating to 15-percent grants reduction for P. W. A. projects, impossible for municipalities to raise funds account legal limitation. If percentage of grants is reduced, P. W. A. is through.

A. I. KAUFFMAN,
Mayor, Lakewood, Ohio.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,

Washington, D. C.:

Validity our proposed bonds very questionable if grant reduced.

ARTHUR H. WEDGE,
City Manager, Bedford, Ohio.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,

Washington, D. C.:

Strongly urge 45-percent grant P. W. A. projects be continued. To reduce grants on approved projects will generally result in failure to build. Toledo has one large water project not yet approved but submitted on basis 45-percent grant.

JOHN N. EBY,
City Manager, Toledo, Ohio.

MAY 30, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,

Washington, D. C.:

Thirty-percent grant would decrease amount of work we could do.

EDWARD J. KELLY,
Mayor of Chicago.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,

Washington, D. C.:

Reduction in grant to 30 percent for P. W. A. projects would invalidate bonds voted by city of Fort Worth for participation Federal program in construction of city-county hospital, library, and city hall and jail. Would necessitate resubmission of bonds to voters, thus making it impossible to come within limit fixed in bill, namely, June 30, 1937.

G. D. FAIRTRACE,
City Manager, Fort Worth, Tex.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,

Washington, D. C.:

Entire Duluth group of projects now before P. W. A. based upon 45-percent grant and will be impossible on 30-percent basis. Street paving and utility projects are based upon petitions of property owners, which petitions will be invalid if grant is reduced. Duluth civic center development project will be impossible as bond issue authorized by last legislature is based upon 45-percent Federal grant. Considerable city expenditure already incurred for engineering and architectural services will be total loss if projects are killed. City council deeply concerned.

S. F. SNIVELY,
Mayor, Duluth, Minn.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,

Washington, D. C.:

McKeesport has project of a million dollars for which we have requested a 45-percent grant. If this is reduced to 30 percent, McKeesport will be unable to carry out our important improvement program. Legal limitation prevent debt increase of 15 percent.

GEORGE H. LYSLES,
Mayor of McKeesport.

JULY 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,

Washington, D. C.:

Docket Oklahoma 1022 Ardmore city-hall bonds were voted and sold on basis of 45-percent grant. Any reduction would mean loss of project.

V. R. SHORT,
City Manager, Ardmore, Okla.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,

Washington, D. C.:

Charlotte's Public Works Administration paving application based on agreement with property owners Government contribution would be 45 percent. If grant reduced, application must necessarily be withdrawn.

BEN E. DOUGLAS,
Mayor, Charlotte, N. C.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,

Washington, D. C.:

If grant reduced, Lawrence unable to undertake any projects and must discontinue those pending and approved.

WALTER A. GRIFFIN,
Mayor, Lawrence, Mass.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:
Fifteen reduction P. W. A. grants in this city will mean that many projects will have to be eliminated and that a large number will be added to our welfare rolls.

WALTER J. COOKSON,
Mayor of Worcester, Mass.

MAY 30, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:
DEAR MR. BETTERS: I have been advised of the possibility of P. W. A. funds being made available but that the Federal grant may be reduced below 45 percent. Will you use every effort possible to maintain the present ratio of loan and grant? Forty-five-percent grant and 55-percent loan. We most urgently need P. W. A. project for new Troy high school, approved and awaiting funds. Troy is in the same position as most New York State cities; we will find it most difficult if not impossible to finance an additional 15-percent burden if grant is reduced.

CHESTER J. ATKINSON,
Mayor of Troy.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:
Decreasing P. W. A. grant from 45 to 30 percent would compel withdrawal of applications by this city. My opinion, such reduction would jeopardize great majority projects now approved and render P. W. A. practically worthless.

W. C. TORRENCE,
City Manager, Waco, Tex.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:
Absolute impossibility Lowell participating 70-30 basis legally financially practically.

DEWEY G. ARCHAMBAULT,
Mayor of Lowell, Mass.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:
Lansing has completed plans for a sewage-disposal works—a very necessary health measure. Our plan of finance is based on 45-percent grant; we will be unable to proceed on 30-percent grant.

MAX A. TEMPLETON,
Mayor, Lansing, Mich.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:
Thirty-percent grant will make further P. W. A. program virtually inoperative. Referenda impossible to carry; cost prohibitive; present legal limitations will not permit sufficient revenue from local funds if Federal grant reduced to 30 percent.

H. G. BARRETT,
Mayor, Topeka, Kans.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:
Reduction of P. W. A. grant from 45 to 30 percent will cause city of Tuscaloosa to abandon projects. Our financial arrangements have been made on a basis of the 45-percent grant, and a 15-percent reduction would cause insurmountable difficulties and make the project undesirable.

JOHN C. PEARSON,
Commission of Public Affairs, Tuscaloosa, Ala.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:
A reduction of grant from 45 to 30 percent for P. W. A. projects will seriously curtail our public-works program and make it impossible for us to complete our program of needed public improvements. We have used every dollar available to cooperate in Public Works program, and feel a reduction of grant would have serious results.

WATKINS OVERTON,
Mayor, Memphis, Tenn.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:
Reduction from 45 to 30 percent P. W. A. grant will make it absolutely impossible for Irvington to participate.

PERCY A. MILLER, Jr.,
Mayor of Irvington, N. J.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:
Reducing Public Works grant to 30 percent on projects over \$100,000 will mean abandonment in most cases, because of financial difficulties. Should be uniform 45 percent to be effective.

F. N. McMILLAN,
Executive Secretary, League of Wisconsin Municipalities.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:
City Manager Brower out of city. Because of effect on funded debt of city, I would not recommend to council prosecution of proposed P. W. A. projects under a reduced Federal grant.

WALTER J. BRENNAN,
Director of Finance, New Rochelle, N. Y.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:
Of project filed by Flint, we are most interested in water-softening docket, Michigan, 1260. We have funds to finance city share, and reduction in grant to 30 percent would not make it impossible to proceed. Plans and specifications prepared and work can start immediately providing reduction in grant does not require filing new application. Any delay in project would be account P. W. A. changing procedure.

J. M. BARRINGER,
City Manager, Flint, Mich.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:
My opinion, reduction of grant from 45 percent to 30 percent will practically kill city's participation as it is extremely difficult to raise the necessary 55 percent as now stands. Legal limitations and financing plan on projects will also hurt possibility of financing present and new projects.

RICHARD E. ALLEN, Jr.,
Mayor, Augusta, Ga.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:
One hundred thousand dollars acquired through bond issue, 1935, in contemplated approval of P. W. A. project for city of Scranton now held in Washington. Scranton now bonded to legal limit. Impossible to acquire additional funds in the event grants of P. W. A. are reduced to 30 percent. Six hundred thousand dollars paving projects are at stake; citizens of our city were sold on idea of a 45-percent grant and 55-percent municipal cost; impossible to carry out P. W. A. paving project in our city if grants are reduced; very anxious for retention of 45-percent grants.

Faithfully,

HON. STANLEY J. DAVIS,
Scranton, Pa.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:
Board of Education, Mount Vernon, N. Y., has one school project, and public library under jurisdiction of board of education has a library project. Both of these have been approved by P. W. A. but are pending allocation of funds. Both projects have been presented to the citizens of Mount Vernon on basis of a 45-percent grant, and I believe it would be utterly impossible to go ahead with these projects on a 30-percent grant basis.

KENNETH J. HOWE,
President, Board of Education, Mount Vernon, N. Y.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:
Our city administration has been working for some time to secure 55 percent as our portion of cost on several projects that have been submitted to P. W. A. Am absolutely confident if this

city's part should be raised above 55 percent it would be impossible to finance any project under the new proposed set-up.

HERBERT SMART,
Mayor, Macon, Ga.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

We will be unable to finance the 70 percent.

M. G. STOUCK,
Mayor, Benton Harbor, Mich.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

Fifteen-percent reduction grant would seriously handicap financing of projects.

F. K. HAHN,
Mayor, Cedar Rapids, Iowa.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

The city of Galesburg, Ill., has yet alive and pending a P. W. A. project for resurfacing streets which cannot possibly be attempted with a grant of less than 45 percent.

JOE E. ANDERSON,
Mayor, Galesburg, Ill.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

Reduction of grant to 30 percent would make it impossible for us to proceed with projects.

FRANK C. FEUTZ,
Mayor, Paris, Ill.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

This administration would be greatly handicapped by reduction of P. W. A. grant to 30 percent.

FRANK P. MEYER,
Mayor, Danville, Ill.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

City unable to finance projects if grant is less.

CHARLES PLOTZ,
Mayor, South Milwaukee, Wis.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

Impossible to complete school building in Arkansas City without full 45-percent grant.

CLYDE B. KING,
City Manager.
L. E. BRENZ,
President of School Board, Arkansas City, Kans.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

Reduction of grant from 45 to 30 percent probably would cancel two Fargo projects pending, as applications were filed on the understanding grant would be 45 percent.

F. O. OLSEN,
Mayor, Fargo, N. Dak.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

City of Big Spring project, Texas 1279, based on 45-percent grant from Government and balance to be supplied by issue of city bonds. Any change would jeopardize badly needed project, as city barely able to meet situation with present percentages on account of present bonded debt. Urgently request we be protected on this project.

E. V. SPENCE,
Mayor, Big Spring, Tex.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

Reduction of P. W. A. grant to 30 percent would very seriously cripple our program. All arrangements made to finance on a 45-percent basis.

H. J. MARCUSSEN,
Mayor, Austin, Tex.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

Have today wired both North Carolina Senators urging their strenuous opposition to reduction in amount of grant from 45 to 30 percent for P. W. A. projects as provided in Senate bill being considered today. Advising that effect of such reduction on municipal applications makes petitions of cities difficult if not impossible. Our application for street project signed by many property owners on 45 and 55 basis and well nigh impossible to change street petitions. Such reduction necessitating attempted change of petitions would antagonize property owners and cause much dissatisfaction with administration.

EARL B. HORNER,
Mayor, Burlington, N. C.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

If grant reduced to 30 percent will be impossible for us to continue projects.

CHARLES B. MCLEAN,
Mayor, Wilson, N. C.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

Davenport, Iowa, objects to reduction in amount of grant from 45 to 30 percent for P. W. A. projects as provided in pending Senate bill. Such a reduction will defeat the relief program in P. W. A. projects. In my opinion, cities will hesitate to submit P. W. A. projects if amount of grant is reduced.

MERLE F. WELTS,
Mayor, Davenport, Iowa.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

Chattanooga financial situation regarding approved dockets such that we are compelled to press for full 45-percent grant. Projects hardly advisable 30-percent basis.

E. D. BASS,
Mayor, Chattanooga, Tenn.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

If amount of grant, P. W. A. projects, is reduced to 30 percent, as contemplated in bill now pending, city of Santa Fe will be unable to carry out program of constructing municipal building along present plans. Bond issue authorized by recent election cannot be increased, and this would necessitate complete revision of plans, reducing contemplated expenditure.

FRANK ANDREWS,
Mayor, Santa Fe, N. Mex.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

City of Sioux Falls has more than a million and a quarter of projects applied for, consisting of many paving projects, all of which are petitioned for, contingent on receipt of 45-percent grant.

A. N. GRAFF,
Mayor, Sioux Falls, S. Dak.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

We very urgently oppose reduction in amount of grant from 45 to 30 percent for P. W. A. projects as provided in Senate bill being considered today. Such reduction makes participation of city of Joplin, Mo., difficult to raise additional 15 percent, due to legal limitations and bond election advertised on basis of 45 percent and held in abeyance awaiting appropriation of funds. Hope our project can be protected against this reduction.

ARTHUR C. MAHER,
Mayor, Joplin, Mo.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

Over 90 percent of pending Texas projects are contingent on a 45-percent basis and majority would not be undertaken on 30-percent basis.

E. E. McADAMS,
Executive Secretary, League of Texas Municipalities.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

Fifteen-percent reduction in grant will affect our Pulaski High School \$1,500,000 project and may curtail other school-extension plans.

DANIEL W. HOAN,
Mayor, Milwaukee, Wis.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

Strongly favor 45-percent grant, because of proximity to debt limitation and greater difficulty in floating bonds under 30-percent program.

JOHN F. QUINN,
Mayor, Pawtucket, R. I.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

Superintendent water, P. W. A. project in Sarasota, would be seriously handicapped, if not legally impossible, by changing Government participation from 45 to 30 percent.

E. A. SMITH,
Mayor, Sarasota, Fla.

JUNE 1, 1936.

Mr. PAUL V. BETTERS,
Executive Director, United States Conference of Mayors,
Washington, D. C.:

Fifteen-percent reduction of grant is not consistent with financial set-up of our project.

Mayor Crow,
East St. Louis, Mo.

Mr. BULKLEY. I have another telegram, dated today, reading as follows:

This city would be unable to proceed with any W. P. A. work if proposed reduction in amount of grant from 45 to 30 percent was made on municipal applications. Please use your influence against such action.

H. L. KELLEY,
Mayor, East Liverpool, Ohio.

Mr. DAVIS. Mr. President, the city of Scranton, Pa., has issued bonds for and has authorized the appropriation of \$600,000 based upon a 45-percent grant from the Government. One hundred thousand dollars is already available, and plans have been approved upon that basis. If the committee amendment is adopted and the Government grant is not made on the 45-percent basis, the improvements will not be made.

A similar situation confronts the city of McKeesport, Pa. That city, too, will not be able to carry out its program as the city is already bonded to its legal limit.

I ask unanimous consent to have inserted two telegrams, one from the mayor of Scranton, Pa., and the other from the mayor of the city of McKeesport, Pa.

The PRESIDING OFFICER. Is there objection?

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

McKEESPORT, PA., June 1, 1936.

Senator JAMES J. DAVIS,
Washington, D. C.:

McKeesport has project of a million dollars for which we have requested a 45-percent grant. If this is reduced to 30 percent McKeesport will be unable to carry out our important improvement program. Legal limitation prevents debt increase of 15 percent.

GEO. H. LYSLE, Mayor.

SCRANTON, PA., May 30, 1936.

Senator JAMES J. DAVIS,
Senate Chambers or Residence:

Information received Senate contemplated change in grants of P. W. A. from 45 percent to 30 percent. City of Scranton has approved and submitted \$600,000 street-paving project based on 45-percent grant; submission made 1 year ago. If grant is changed

all legislation passed to date null city of Scranton, through bond issue, for this purpose. Has sufficient funds in bank waiting for Federal approval on these projects. We urge retention of 45 percent grant in pending legislation.

MAYOR STANLEY J. DAVIS.

Mr. FLETCHER. Mr. President, I have a telegram bearing on this subject from the mayor of Tallahassee, Fla., which I should like to have printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

TALLAHASSEE, FLA., June 1, 1936.

HON. DUNCAN U. FLETCHER,
United States Senator:

Understand bill before United States Senate today reducing percentage of grant in P. W. A. application from 45 to 30 percent. We wish to urge strongly that original 45-percent grant be provided. Tallahassee has been patiently waiting for available funds for its approved applications for loan and grant with P. W. A. for about 1½ years. Our citizens are urging that sewers and paving program begin.

H. J. YAEGER,
Mayor, City of Tallahassee, Fla.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kentucky to the committee amendment, to strike out, on page 32, line 1, the words "not more than 30 percent shall be granted on any such project the cost of which is more than \$100,000, and."

The amendment to the amendment was agreed to.

Mr. BARKLEY. Mr. President, I ask unanimous consent to reconsider the vote by which the amendment offered by the Senator from Colorado on behalf of the committee, on page 31, line 14, was agreed to on Saturday, in order that I may offer an amendment on page 32, line 1, changing the date from 1937 to 1938.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote by which the amendment offered on behalf of the committee was agreed to is reconsidered.

Mr. BARKLEY. Mr. President, on page 32, line 1, I offer an amendment to strike out "1937" and insert in lieu thereof "1938."

The PRESIDING OFFICER. Does the Senator from Colorado accept the modification of his amendment?

Mr. ADAMS. I am perfectly willing to adjust the parliamentary situation so that that may be done.

Mr. BARKLEY. The parliamentary situation has already been adjusted by a reconsideration of the vote by which the committee amendment was agreed to.

Mr. ADAMS. I did not know that had been done. Personally, I do not think the date should be extended.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY] to substitute "1938" for "1937" in the committee amendment, on line 1, page 32.

The amendment to the amendment was agreed to.

Mr. McKELLAR. Mr. President, immediately after the date "1938", I propose to insert the following:

Provided, That this limitation shall not apply to any project that has been enjoined in any Federal or State court.

The reason for offering this limitation is that many injunctions have already been granted, and it would be unfair and unjust to deprive the particular communities where that has been done from receiving this relief.

The PRESIDING OFFICER. The Senator from Tennessee offers an amendment to come at the end of the amendment offered by the Senator from Colorado, which will be stated.

The CHIEF CLERK. It is proposed to insert the following after the amendment to the amendment just agreed to:

Provided, That this limitation shall not apply to any project that has been enjoined in any Federal or State court.

Mr. BORAH. Mr. President, what is the effect of the amendment?

Mr. McKELLAR. I will give an illustration. The city of Knoxville, Tenn., applied for a loan and a grant to build an electric light plant, and they were enjoined by a private company. If the limitation as carried in the bill shall continue in force—and it will be in force, of course, unless the

injunction is dissolved in time enough to permit them to build the plant—they cannot build the plant at all. It might be held up on appeal, so that Knoxville would be deprived entirely of the relief.

Mr. GLASS. Has the plant been let to contract?

Mr. McKELLAR. No, the plant has not been let to contract; before that could be done, the injunction was issued. There are a number of such cases, and it seems to be manifestly fair and just that the limitation should not apply to cases of that kind.

Mr. BARKLEY. Mr. President, the amendment simply limits the expiration of the time?

Mr. McKELLAR. That is all. I ask for a vote on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. BYRNES. Mr. President, I offer an amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. It is proposed on page 31, line 15, after the comma following the word "works", to insert the following:

Projects of the kind and character for which he has heretofore made loans or grants pursuant to title II of the National Industrial Recovery Act or the Emergency Relief Appropriation Act of 1935.

Mr. BYRNES. Mr. President, the object of the amendment is to provide a standard by which the P. W. A. shall be guided in making loans under the act.

Mr. HAYDEN. From what the Senator says, I judge it can be in no way construed that the terms and conditions of the act shall be extended.

Mr. BYRNES. Oh, no!

Mr. HAYDEN. In other words, the projects shall be of the "kind and character" designated, but not governed by the terms of the National Industrial Recovery Act.

Mr. BYRNES. Oh, no!

Mr. WAGNER. Mr. President, I ask that the amendment again be stated.

The PRESIDING OFFICER. The amendment will be restated.

The CHIEF CLERK. On page 31, line 15, after the comma following the word "works", it is proposed to insert the following:

Projects of the kind and character for which he has heretofore made loans or grants pursuant to title II of the National Industrial Recovery Act or the Emergency Relief Appropriation Act of 1935.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment.

The amendment to the amendment was agreed to.

Mr. GLASS. Mr. President, has title II, as amended, been adopted?

The PRESIDING OFFICER. It has not.

Mr. ADAMS. There are first one or two technical amendments to be presented.

Mr. BARKLEY. Mr. President, I have an amendment which I wish to offer on page 35.

The PRESIDING OFFICER. There may be further amendments to the committee amendment starting on page 31 and ending in line 11 on page 32.

The question is on the adoption of the amendment offered by the Senator from Colorado, as amended, to the committee amendment.

The amendment, as amended, to the committee amendment, was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

Mr. ROBINSON. Mr. President, does that complete the committee amendments?

The PRESIDING OFFICER. No; there are a few more committee amendments. The clerk will report the next committee amendment.

The next amendment was, on page 32, line 20, after the word "boycott", to insert "or discrimination on account of race, religion, or political affiliations", so as to make the paragraph read:

Any person who knowingly and with intent to defraud the United States makes any false statement in connection with any application for any project, employment, or relief aid under the foregoing appropriation, or diverts, or attempts to divert, or assists in diverting for the benefit of any person or persons not entitled thereto, any portion of the foregoing appropriation, or any services or real or personal property acquired thereunder, or who knowingly, by means of any fraud, force, threat, intimidation, or boycott, or discrimination on account of race, religion, or political affiliations, deprives any person of any of the benefits to which he may be entitled under the foregoing appropriation, or attempts so to do, or assists in so doing, shall be deemed guilty of a misdemeanor and fined not more than \$2,000 or imprisoned not more than 1 year, or both.

The amendment was agreed to.

The next amendment was, on page 33, line 5, after the word "persons", to insert "(except administrative employees qualifying as civil employees of the United States)", so as to make the paragraph read:

The provisions of the act of February 15, 1934 (48 Stat. 351), relating to disability or death compensation and benefits shall apply to persons (except administrative employees qualifying as civil employees of the United States) receiving compensation from the foregoing appropriation for services rendered as employees of the United States, and to persons receiving assistance in the form of payments from the United States for services rendered under the National Youth Administration, created by Executive order of June 26, 1935: *Provided*, That so much of the foregoing appropriation as the United States Employees' Compensation Commission, with the approval of the Director of the Bureau of the Budget, estimates and certifies to the Secretary of the Treasury will be necessary for the payment of such compensation and administrative expenses shall be set aside in a special fund to be administered by the Commission for such purposes; and after June 30, 1937, such special fund shall be available for such purposes annually in such amounts as may be specified therefor in the annual appropriation acts: *Provided further*, That this paragraph shall also apply to persons employed and paid by the United States in those States in which the Federal Relief Administrator assumed control under section 3 (b) of the Federal Emergency Relief Act of 1933, but such compensation shall be limited to fatal cases and permanent partial and permanent total disability cases where claim is filed within 1 year from the date of enactment of this act: *Provided further*, That this paragraph shall not apply in any case coming within the purview of the workmen's compensation law of any State or Territory, or in which the claimant has received or is entitled to receive similar benefits for injury or death.

The amendment was agreed to.

The next amendment was, on page 34, line 16, after the words "allotted by the", to strike out "Works Progress Administrator" and insert "President", so as to make the paragraph read:

So much of the foregoing appropriation as may be determined by the Director of the Bureau of the Budget to be necessary for administrative expenses of any department, establishment, or agency of the United States for additional work incident to carrying out of the purposes of the foregoing appropriation shall be allotted by the President and shall remain available to such agencies until June 30, 1938; the funds so allotted shall be available for expenditure for the same purposes for which funds have been allotted for administrative expenses under the Emergency Relief Appropriation Act of 1935.

The amendment was agreed to.

The next amendment was, on page 35, after line 15, to insert the following:

The Federal Emergency Relief Administrator is hereby authorized to liquidate and wind up the affairs of the Federal Emergency Relief Administration under the act of May 12, 1933, as amended, and funds available to it shall be available for expenditure until June 30, 1937.

The amendment was agreed to.

The next amendment was, on page 35, after line 20, to insert the following:

No part of the funds herein appropriated shall be loaned, granted, or otherwise made available to any State or any of its political subdivisions or agencies, for the purpose of carrying out any program or project with respect to replanning and reorganizing existing prison industries systems and allied prison activities.

Mr. BARKLEY. Mr. President, I trust that portion of the committee amendment will not be agreed to.

I have conferred with the members of the Committee on Appropriations, including the Senator from Arizona [Mr.

HAYDEN], who offered this amendment in the committee; and it is entirely agreeable to him and to the committee members, as I understand, that that amendment should be eliminated.

The amendment or amendments along those lines are sponsored by the American Federation of Labor. The subcommittee and the full committee did not insert the amendment as it was suggested by the officials of the American Federation of Labor. The way the language is now, it would prevent any State from obtaining any of these funds for rebuilding a prison or any of the penal or charitable institutions of the State, because it might be held to involve rebuilding places in which the prisoners were expected or required to work on the inside of the prison or other penal institution.

I called this matter to the attention of the officers of the American Federation of Labor who were interested in it, and they have authorized me to say that so far as they are concerned they would prefer that this language go out rather than let it remain as it is. Therefore, I hope the amendment will not be agreed to.

Mr. HAYDEN. Mr. President, I offered the amendment in committee, and now, realizing all of its implications, I believe it is best that the bill be silent upon the subject.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 35, beginning in line 21.

The amendment was rejected.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, on page 36, line 4, after the word "submitted", to strike out "by the Administrator to the President for transmission", so as to make the paragraph read:

A report of the operations under the foregoing appropriation shall be submitted to Congress before the 10th day of January in each of the next two regular sessions of Congress, which report shall include a statement of the expenditures made and obligations incurred, by classes and amounts.

Mr. BYRNES. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 28, line 3, in the committee amendment heretofore agreed to, after the word "President", it is proposed to strike out down to and including "1935" on the same page, line 7, and to insert in lieu thereof the following:

Together with such unexpended balances of funds appropriated and made available by the Emergency Relief Appropriation Act of 1935 as the President may determine, which are hereby reappropriated and made available for the purposes of this title.

Mr. BYRNES. I ask unanimous consent that the Senate reconsider the vote by which the section beginning on page 27, line 19, and ending on page 29, line 15, was adopted, in order that the amendment I have just offered may be considered.

Mr. BYRD. Mr. President, will the Senator from South Carolina give an estimate of what will be expended under his amendment?

Mr. BYRNES. I endeavored to ascertain the amount that would be available under this particular item, and was not very successful in ascertaining any particular figure. It was said, as to the items under this language, that a sum of certainly more than \$50,000,000 might be estimated as having been allotted to certain projects, and might become available. The language in the committee text was offered at the time the bill proposed to confer the power solely on the Works Progress Administration, and it should result in making the funds available only for the purposes set forth in the act of 1934, or really for the purposes in that act which are earmarked, and include more projects than are included in the earmarking in this bill. I cannot state to the Senator the definite amount. Under this provision it would be available for the purposes set forth in the pending bill, instead of for the purposes set forth in the old act.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from South Carolina that the vote by which the language referred to was adopted shall be reconsidered? The Chair hears none, and it is so ordered.

The question is on agreeing to the amendment offered by the Senator from South Carolina to the committee amendment on page 28, line 3.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

Mr. BYRNES. I have another amendment, which I send to the desk, to the committee amendment. I ask that action on the committee amendment be not taken until the amendment I now send to the desk shall be acted upon.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. On page 28, line 24, after "\$85,550,000", it is proposed to insert the following proviso:

Provided further, That the amount specified for any of the foregoing classes may be increased proportionately in accordance with the amount of such unexpended balances of funds as the President may transfer from the funds appropriated and made available by the Emergency Relief Appropriation Act of 1935, for the purpose of this title;

Mr. BYRNES. The purpose of that amendment is that if the unexpended balances affected by the previous amendment are made available, then that amount, whatever it may be—\$50,000,000 or \$60,000,000—would, under the amendment now offered, be proportionately divided among the items set forth in the text of the bill as it has been reported by the committee.

Mr. HALE. Mr. President, I understand the Senator's amendment would not affect the other balances which go over?

Mr. BYRNES. No. It would only provide that whatever balances go over shall be proportionately distributed among those items.

Mr. HALE. Of course, great balances will go over from the legislation already enacted. Such balances amount to nearly \$2,000,000,000, according to the Director of the Budget. Does the Senator include all those balances?

Mr. BYRNES. No. The amendment applies only to the language on page 28, lines 2 to 8.

Mr. HALE. That specifically applies only to \$50,000,000?

Mr. BYRNES. I have already stated to the Senator from Virginia that I do not know the amount, but whatever the amount is, when it is brought forward it would decrease the total of \$1,425,000,000 and therefore should be apportioned among these projects in accordance with the intent of Congress.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Carolina to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. BYRNES. I offer another amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 29, line 1, after the word "classes", it is proposed to insert the following:

Including such adjustments as may be made in the amounts specified by reason of transfers of unexpended balances from funds appropriated and made available by the Emergency Relief Appropriation Act of 1935.

The amendment was agreed to.

Mr. GLASS. Mr. President, I submit an amendment, though it is not to title II.

Mr. ROBINSON. Has title II been agreed to as amended?

The PRESIDING OFFICER. The question now is on agreeing to title II, as amended, beginning on page 27.

Title II, as amended, was agreed to.

Mr. GLASS. I ask that my amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 77, after line 11, it is proposed to insert the following:

Naval air station, Norfolk, Va.: to replace assembly and repair-shop facilities destroyed by fire, including building and accessories, \$150,000.

Mr. GLASS. The machine shop and other buildings at the naval station at Norfolk, Va., were completely destroyed by fire on the 15th of last month, throwing 350 workmen out of employment. The amount carried by the amendment has been estimated by the Budget and sent to us with the approval of the President.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Virginia.

The amendment was agreed to.

Mr. GLASS. I send to the desk another amendment, which I ask may be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 8, after line 18, after the amendment heretofore agreed to, it is proposed to insert the following:

CELEBRATION OF THE BICENTENNIAL OF THE BIRTH OF PATRICK HENRY

For carrying out the provisions of the act entitled "An act to aid in defraying the expenses for the celebration of the bicentennial of the birth of Patrick Henry to be held at Hanover Court-house, Va., July 15, 16, and 17, 1936", approved _____, 1936, fiscal year 1936, \$10,000, to remain available until June 30, 1937.

Mr. GLASS. That is in pursuance of a measure which has passed both Houses of Congress.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Virginia.

The amendment was agreed to.

Mr. WHEELER. Mr. President, I send to the desk an amendment which I think will be acceptable to the committee.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 53, after line 2, it is proposed to insert the following:

Bureau of Fisheries: For the acquisition by the Bureau of Fisheries of a site for a fish hatchery at Jessup's Mill, near Glacier National Park in the State of Montana, \$10,000, which shall be immediately available.

The amendment was agreed to.

Mr. WHEELER. I send to the desk another amendment relating to a school in the State of Washington and also a public school in Montana. These are authorizations which have already been made by the Congress and were sent here by the Director of the Budget with the approval of the President.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 59, after line 7, it is proposed to insert a new paragraph, as follows:

Construction, enlargement, or improvement of public-school buildings: For cooperation with Wellpinit School District, No. 49, Stevens County, Wash., for the construction and equipment of a public-school building in the vicinity of Wellpinit, Wash., as authorized by the act of May 15, 1936 (Public, No. 586, 74th Cong.), \$75,000, and for cooperation with the Hays Public School District, Hays, Mont., for construction and improvement of grade- and high-school buildings, as authorized by the act of May 15, 1936 (Public, No. 588, 74th Cong.), \$50,000, in all, fiscal year 1937, \$125,000: *Provided*, That plans and specifications for construction, enlargement, or improvement of structures shall be furnished by local or State authorities, without cost to the United States, and upon approval thereof by the Commissioner of Indian Affairs, actual work shall proceed under the direction of such local or State officials. Payment for work in place shall be made monthly, on vouchers properly certified by local officials of the Indian Service: *Provided further*, That any amount expended on any project hereunder shall be recouped by the United States within a period of 30 years, commencing with the date of occupancy of the project, through reducing the annual Federal tuition payments for the education of Indian pupils enrolled in public or high schools of the district involved, or by the acceptance of Indian pupils in such schools without cost to the United States; and in computing the amount of recoupment for each project,

interest at 3 percent per annum shall be included on unrecouped balances.

The amendment was agreed to.

The PRESIDING OFFICER. The second amendment of the Senator from Montana will be stated.

The CHIEF CLERK. It is proposed to insert after the amendment just adopted the following:

Construction, enlargement, or improvement of public-school buildings, 1936: Of the appropriation of \$100,000 contained in the Second Deficiency Appropriation Act, fiscal year 1935, for cooperation with public-school districts in Glacier County, Mont., as authorized by the act of June 7, 1935, not to exceed \$40,000 is hereby made available for improvement and extension of elementary school buildings in district no. 9, as well as other public-school districts within said county, subject to the terms and conditions prescribed under this head in said second deficiency appropriation act.

The amendment was agreed to.

Mr. HAYDEN. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 60, after line 20, it is proposed to insert the following:

For continuation of the following projects in not to exceed the following amounts, respectively, to be expended in the same manner and for the same objects of expenditure as specified for projects included in the Interior Department Appropriation Act for the fiscal year 1937 under the caption "Bureau of Reclamation", and to be reimbursable under the reclamation law.

Gila project, Arizona, \$2,500,000;
Salt River project, Arizona, \$2,300,000;
Central Valley project, California, \$16,000,000;
Grand Valley project, Colorado, \$200,000;
Boise project, Idaho, Payette division, \$1,800,000;
Boise project, Idaho, drainage, \$160,000;
Carlsbad project, New Mexico, \$900,000;
Deschutes project, Oregon, \$450,000;
Owyhee project, Oregon, \$400,000;
Grand Coulee Dam project, Washington, \$20,000,000;
Columbia Basin project, Washington, economic surveys and investigations, \$250,000;
Yakima project, Washington, Roza division, \$2,500,000;
Provo River project, Utah, \$1,750,000;
Casper-Alcova project, Wyoming, \$4,000,000;
Riverton project, Wyoming, \$900,000;
Shoshone project, Wyoming, Heart Mountain division, \$1,000,000;

For administrative expenses on account of the above projects, including personal services and other expenses in the District of Columbia and in the field, \$2,500,000; in all, \$57,610,000, to be immediately available: *Provided*, That this appropriation shall be available for the employment of personal services without regard to the civil-service laws and the Classification Act of 1923, as amended: *Provided further*, That of this amount not to exceed \$160,000 may be expended for personal services in the District of Columbia.

Mr. HAYDEN. Mr. President, the text of the amendment just read is identical, word for word, with amendment numbered 54, as adopted by the Senate to the Interior Department appropriation bill on March 2, 1935. The same reclamation projects are named, and the sums of money to be appropriated to continue their construction are in exactly the same amounts.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. VANDENBERG. What is the total amount carried in the amendment?

Mr. HAYDEN. The total amount carried in the amendment is \$57,610,000. The Budget estimates for the same reclamation projects are for \$64,710,000. After the Interior Department appropriation bill had passed the Senate and was under consideration in the House of Representatives, a statement was made in that body to the effect that it had been planned to have the Budget estimates upon which this amendment is based considered by the Committee on Appropriations of the House of Representatives for action in the first deficiency appropriation bill rather than in the Interior Department appropriation bill.

I have conferred with the Senators from the 14 States where United States reclamation projects are located, and we all agree that prompt and proper consideration of the

Budget estimates for reclamation projects is not merely highly desirable but is imperative.

The interested Senators are much more concerned about the final results attained than they are with respect to which bill or bills are used to bring the two branches of the Congress into accord. I therefore hope that this amendment may be accepted by the Senator in charge of the bill, so that it may be taken to conference.

Mr. ADAMS. Mr. President, I suppose it will be understood that if this item happens to pass in both appropriation bills the Senator from Arizona will consent to its being stricken out of one of them.

Mr. HAYDEN. Certainly. If the subject matter is cared for in this bill, it will not be included in the Interior Department appropriation bill.

Mr. ADAMS. Mr. President, I voted for the items in the Interior Department appropriation bill. I think that is where the items belong. This is an appropriation of money to be expended by the Reclamation Service under the Interior Department. It is not a deficiency appropriation. It is not an emergency matter. It qualifies, I suppose by having Budget estimates underlying it; but it does seem to me contrary to sound legislative practice for the Senate to attach to a second bill \$60,000,000 of items which are now pending upon a bill recently passed and which is now in conference. It seems to me we put ourselves in the position of making a double appropriation of the same amount for the same item, so far as our action goes. Therefore it seems to me the item ought not to go in this bill.

Mr. GLASS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Virginia?

Mr. HAYDEN. I yield.

Mr. GLASS. Is the Senator from Arizona serious in his statement that the Senators from all 14 States are unanimously in favor of the amendment he has offered? [Laughter.]

Mr. HAYDEN. There is no question about it. The situation is that the House of Representatives has indicated a desire to consider this matter on a deficiency bill. Of course, if these reclamation projects are cared for in this deficiency bill, they will be eliminated from the Interior Department appropriation bill. If carried in the Interior Department bill, they will be eliminated from this bill.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. BORAH. This amount has already been provided for in the Interior Department appropriation bill, has it not?

Mr. HAYDEN. That is correct.

Mr. BORAH. The House seems to object to disposing of it in that way and desires it to come here?

Mr. HAYDEN. The proceedings in that body so indicate. For that reason I offer the amendment.

Mr. BORAH. I do not see what objection there is to placing the appropriation here, in view of the fact that it has already been provided for. It is not adding an amount to that which we have already provided.

Mr. BARKLEY. Mr. President, I understand the appropriation will not be in both bills in any event.

Mr. HAYDEN. Certainly not.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona.

The amendment was agreed to.

Mr. COPELAND. Mr. President, I send to the desk an amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New York will be stated.

The CHIEF CLERK. On page 81, after line 6, it is proposed to add:

Foreign mail transportation: For an additional amount for transportation of foreign mail by aircraft from and to points in Alaska, fiscal year 1937, \$200,000, to be expended under a contract or contracts which will not create annual obligations for the fiscal year 1938 in excess of \$200,000.

Mr. COPELAND. Mr. President, this matter came to me through the Second Assistant Postmaster General, Mr. Branch, he having attached to his communication a letter from the Director of the Budget. It is to take care of a star-route mail service between Juneau, Alaska, and Fairbanks, across the corner of Canada. The reason why it is an emergency matter is because at present there is an arrangement with Canada covering the service, and lighting arrangements and radio beams have been put in at the expense of American capital; and unless the appropriation is made that service will lapse, which will bring about the necessity of going around the coast of Alaska to reach into the interior, thereby adding materially to the dangers involved.

Mr. ADAMS. Mr. President, will the Senator yield for an inquiry?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Colorado?

Mr. COPELAND. I yield.

Mr. ADAMS. Did not the Senate committee add an appropriation of some \$240,000 to cover this very item, and has it not been included?

Mr. COPELAND. No; not this item. The item that was added was for ground facilities in America. This item is for the star route across Canada, and the money is to come out of a different appropriation, which the Budget Director says is proper.

Mr. ADAMS. Is there a new Budget estimate?

Mr. COPELAND. There is a new Budget estimate. The Budget Director refers to the estimate of \$242,755.

Mr. ADAMS. That is the one that has been put in. It was cut down, was it not?

Mr. COPELAND. Oh, no; it is a new item. It is an entirely different estimate. This has to do with foreign mail, while the other had to do with navigation features in America. I am entirely correct in that.

Mr. ADAMS. Mr. President, I merely desire to understand this matter correctly. We put in the bill, on page 32, an additional amount for the establishment and maintenance of aids to air navigation. It was my understanding that that amount covered this particular item; and it was put in after a very eloquent and persuasive speech by the senior Senator from New York.

Mr. COPELAND. If the Senator will remember, I appeared before the committee, and at the same time Mr. Branch appeared, making the plea for the other arrangement, but for some reason the committee did not act on Mr. Branch's suggestion. It is a matter of a great deal of concern, however. The only interest I have in it is that in the safety-in-the-air subcommittee we have had testimony on this matter, and the two items are entirely separate.

Mr. ADAMS. What is the Budget estimate upon which this item rests?

Mr. COPELAND. This Budget estimate is in connection with the post-office bill.

Mr. ADAMS. What is the amount of the Budget estimate?

Mr. COPELAND. Two hundred and forty-two thousand seven hundred and fifty-five dollars, and I am asking for \$200,000 of it.

Mr. ADAMS. Is it a separate item?

Mr. COPELAND. This is to come out of the post-office appropriation, while the other is to come out of the commerce appropriation.

Mr. ADAMS. Mr. President, all I can say is that I assume the Senator from New York is correct; but I think he will agree that we may recheck this matter in conference.

Mr. COPELAND. Certainly.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was agreed to.

Mr. COPELAND. Mr. President, I ask that the papers which I have in my hand, which relate to the amendment just agreed to, may be included in the RECORD at this point, so that the committee may be fully informed regarding the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

SECOND ASSISTANT POSTMASTER GENERAL,
Washington, May 29, 1936.

HON. ROYAL S. COPELAND,
United States Senate.

MY DEAR SENATOR: In accordance with your request I wrote Director Bell, of the Bureau of the Budget, inquiring if the Bureau would object to an appropriation of \$200,000 for foreign air-mail service in Alaska. I have just received Director Bell's reply, which I am enclosing for your information.

Sincerely yours,

HARLEE BRANCH,
Second Assistant Postmaster General.

MAY 29, 1936.

The honorable the POSTMASTER GENERAL.

MY DEAR MR. POSTMASTER GENERAL: I have the letter of the Second Assistant Postmaster General of May 28, 1936, concerning the estimate of \$242,755 for the Post Office Department, included in the Budget for 1937 under the appropriation "Star-route service, Alaska", to provide for the expansion of Alaska star-route air-mail service."

It seems to me that this estimate can be considered as still before Congress for whatever action it cares to take on it. If Congress should decide to provide for this service in some other manner, this office would offer no objection so long as the amount is within the estimate contained in the Budget.

Very truly yours,

D. W. BELL, Acting Director.

HOUSE OF REPRESENTATIVES,
Washington, D. C., May 26, 1936.

HON. ALVA B. ADAMS,

Chairman, Subcommittee of the Committee on
Appropriations, United States Senate, Washington, D. C.

DEAR SENATOR ADAMS: Reference is made to the amendment offered by Senator COPELAND to the first deficiency appropriation bill, H. R. 12624, as follows:

"Foreign-mail transportation: For an additional amount for transportation of foreign mail by aircraft from and to points in Alaska, fiscal year 1937, \$200,000, to be expended under a contract or contracts which will not create annual obligations for the fiscal year 1937 in excess of \$200,000."

and to the statements recently made by Senator SCHWELLENBACH and me in support of the amendment before the subcommittee of which you are chairman.

You may recall that at the conclusion of our statements, one or more of the members of the subcommittee suggested that it might be well to have a special Budget estimate for the item desired.

Yesterday I discussed the subject with Mr. Bell, Acting Director of the Budget, and with Mr. Wiseman, one of the Budget officials, and requested a Budget estimate for the item mentioned.

Mr. Bell declined to recommend to the President another Budget estimate to cover the amount presented by Senator COPELAND's proposed amendment. Mr. Bell called my attention to the fact that the approved Budget estimate for the fiscal year 1937 contained an item of \$450,000 for star-route service in Alaska; that the Post Office Department appropriation bill as reported out of committee and as passed by the House reduced this item to \$207,245; that the amount was increased in the Senate to the Budget estimate of \$450,000, but in conference between the two Houses the sum of \$207,245 as fixed by the House was restored, which is \$242,755 less than the Budget estimate. Mr. Bell added that the original Budget estimate is still before Congress and that no other Budget estimate to cover the amount proposed to be expended by the Copeland amendment is proper. In answer to a question, Mr. Bell further stated that the original Budget estimate, unless expressly withdrawn, will remain before Congress until the close of the current session.

The justification of the Post Office Department for the Budget estimate provided, in part, for service of mail by airplane carrier between Juneau, Alaska, White Horse, Dominion of Canada, and Fairbanks, Alaska, which is identical with the mail-service route or routes contemplated by the Copeland amendment. Since the whole includes each part, it is to my mind clear beyond question that the original Budget estimate embraces the service which will be given if the Copeland amendment is adopted. Nothing has been brought to my attention by anyone which in any manner negatives this conclusion.

As pointed out by Senator SCHWELLENBACH and myself in our statements to the committee, the service proposed by the Copeland amendment is more advantageous to the Government than that proposed under the original Budget estimate, since a surcharge will be made upon mail carried under the foreign air-mail provisions of the Copeland amendment, whereas no such surcharge could be made, without additional legislation, under the star-route service originally specified by the Post Office Department justification and approved by the Budget.

Sincerely yours,

ANTHONY J. DIMOND, Delegate.

Mr. COPELAND. Mr. President, I have one more amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed to insert, at the proper place in the bill, the following:

That the five retired officers of the Regular Army assigned to active duty at the United States Soldiers' Home and who, while so serving, are entitled to the pay and allowances of officers of the same rank and length of service on the active list of the Army, shall have the difference between active-duty pay and allowances and retired pay of such officers paid from funds appropriated for the maintenance and operation of the Soldiers' Home.

Mr. COPELAND. Mr. President, this involves a matter of \$7,800 which is to be paid out of the Soldiers' Home fund. For 35 years the retired officers at the Soldiers' Home have been paid, in addition to their retired pay, \$125 a month. General Coleman, who has just gone there to be governor, might as well go home, if he has a home somewhere, because at the moment he gets nothing, except a house, in addition to his retired pay, which he would have anyway. The house is a big and rambling house, and two servants are necessary. This involves the expenditure of \$125 a month, paid for each of the five retired officers, and is to be taken out of the regular appropriation for the Soldiers' Home. The money for that comes from the contributions of those who have served in the Regular Army as privates.

Mr. ADAMS. Mr. President, it seems to me that during the call of the calendar today a bill containing the identical provision in this amendment was passed by the Senate. This is legislation; it is not an appropriation, and a bill presented by the senior Senator from Texas [Mr. SHEPPARD] passed this morning almost identical in character.

The PRESIDING OFFICER. Does the Senator from Colorado make that point?

Mr. ADAMS. It seems to me the amendment is unnecessary. It is legislation which has already been passed.

Mr. COPELAND. Mr. President, I hope the Senator will not raise the question because if this item is left in the bill it is provided for and justified by the fact that the Senate has today passed the bill to which the Senator has referred, but it is essential that these five officers should have the \$125 a month, which they will not get if we wait at this late period of the session to pass the bill through the House.

Mr. ADAMS. Mr. President, I am merely saying to the Senator that this is not an appropriation; that it is legislation and is covered by the same bill that was passed this morning. We have been doubling up on legislation recently, and if it is desired that we pass everything twice, I shall not object.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York. The amendment was agreed to.

Mr. VANDENBERG. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. It is proposed, on page 32, line 24, after the word "doing", to insert the words "or who solicits or receives any political contributions from persons for whom any portion of the foregoing appropriation for relief or work relief is intended."

Mr. VANDENBERG. Mr. President, the purpose of the amendment is obvious. There is universal criticism throughout the country of the mingling of relief funds and political funds, and I am sure no one would defend the mingling of the two. When I called Mr. Hopkins' attention to a certain situation in Pennsylvania, where there was a direct political solicitation from relief clients, his answer was that he totally disapproved of any such mingling of the two functions, and that he would do everything he could to stop it; to quote him literally in his classic language, he said he had no control over the "dumb politicians."

He was probably correct in his statement, and it occurs to me that the least we could do would be to provide some sort of a weapon in his arsenal of defense if he wants to have a defense.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. BYRNES. The language of the amendment has been called to my attention just now for the first time, and I desire to ask the Senator one or two questions about it. The amendment contains the words "or who solicits or receives any political contributions from persons for whom any portion of the foregoing appropriation for relief or work relief is intended."

If an appropriation is made for the construction of a bridge, and the contractor receives a contract for the building of a structural bridge, he is the individual for whom a part of the appropriation is intended, and if that contractor sees fit to contribute a hundred dollars to the Republican National Committee, should the treasurer of the Republican National Committee be subject to imprisonment and fine for receiving the contribution from the contractor, for whom, in the construction of the bridge, a part of this fund is intended?

Mr. VANDENBERG. I think there should be utterly no mingling of the two functions and the two funds. My answer would be "yes" to the Senator.

Mr. BYRNES. If the contractor makes a contribution to the treasurer of the committee, the committee should be subject to fine and imprisonment?

Mr. VANDENBERG. In the discretion of the court; yes.

Mr. BYRNES. The Senator says, "in the discretion of the court." He means as to the amount of the fine, or the term of imprisonment?

Mr. VANDENBERG. Exactly.

Mr. BYRNES. That the treasurer who accepts the contribution from a man who perchance has had a contract, and out of which contract he has made some money, should be imprisoned and fined, and likewise, if a man who is on relief sends in a dollar to the treasurer of the Republican National Committee and signs his name, "John Smith", the treasurer of that committee should be fined and imprisoned for accepting it?

Mr. VANDENBERG. If it falls within the prohibitions of the amendment.

Mr. BYRNES. Would it fall within the prohibitions of this amendment?

Mr. VANDENBERG. Under the statement of the Senator, it would.

Mr. BYRNES. Very well.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan. The amendment was rejected.

Mr. THOMAS of Utah. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. It is proposed, on page 58, after line 14, to insert a new paragraph, as follows:

Payment to Confederate Bands of Ute Indians: For payment to the Confederate Bands of Ute Indians in full compensation as to claim for the principal sum for 64,560 acres of land in western Colorado set aside as a naval oil reserve by Executive orders dated December 6, 1916, and September 27, 1924, fiscal year 1937, \$161,400, which amount is hereby appropriated pursuant to the act of May 15, 1936 (Public, No. 584, 74th Cong.), and shall be disposed of in accordance with said act.

Mr. THOMAS of Utah. Mr. President, I offer this amendment at the request of the Bureau of the Budget. It has already been provided for by law.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. THOMAS of Utah. Mr. President, I offer another amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to insert, beginning on page 60, after the period at the end of the sentence in line 14, the following:

For pay of general counsel, Confederate Bands of Ute Indians in the Uintah and Ouray Agency, Utah (tribal funds): The Secretary of the Interior is authorized to expend the sum of \$3,000 or so much thereof as may be necessary, from the tribal funds of the Confederate Bands of Ute Indians in the Uintah and Ouray Agency, Utah, in the Treasury of the United States, upon proper vouchers approved by him, for services rendered by general counsel under a contract approved by the Commissioner of Indian Affairs and the Secretary of the Interior.

Mr. THOMAS of Utah. Mr. President, this amendment is offered at the request of the Bureau of Indian Affairs.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. THOMAS of Utah. Mr. President, I suggest that the statement I send to the desk be printed in the RECORD as a justification for the amendments just agreed to.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

These Ute Indians live about a hundred miles from any railroad. They seldom visit the city of Washington on tribal business. They number about 1,200, most of whom are fullblood Indian. They own 10,000 acres of forest reserve. They own about 5,000,000 acres of land in Colorado which the Government has agreed to sell for them at not less than \$1.25 per acre. The potential wealth of these Indians is probably greater than any other group of Indians of equal number.

Recently they voted to accept the provisions of the Indian Reorganization Act. Accordingly, they must now prepare a constitution and bylaws to meet their peculiar needs. They propose to organize stockmen's associations and other business organizations. In all of this they require the services of some capable person to help them draw up the proper papers and documents that will protect them and their property against unnecessary losses.

The chairman of their tribal business committee wrote Mr. Collier a letter, as Commissioner of Indian Affairs, asking that this amount be appropriated from their tribal funds for the said purpose. They have over a hundred thousand dollars in the Treasury of the United States. They have a perpetual income of about \$25,000 per annum from the Federal Government.

This appropriation has the approval of Mr. Collier, Commissioner of Indian Affairs and the Department. It will come out of the funds which already belong to these Indians.

PAYMENT TO CONFEDERATED UTES

This estimate is submitted pursuant to the act of May —, 1936 (Public, No. —, 74th Cong.), reading as follows:

"That the sum of \$161,400 be, and the same is hereby, authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for payment to the Confederate Bands of Ute Indians in full compensation as to claim for principal sum for 64,560 acres of land in western Colorado, taken from the said Indians by the United States and set aside as a naval oil reserve by Executive orders, dated December 6, 1916, and September 27, 1935; said sum to be placed on the books of the Treasury Department to the credit of the Confederate Bands of Ute Indians in the proportions specified by the act of June 15, 1880 (21 Stat. L. 199), and to bear interest at 4 percent per annum and from the date of passage of this act.

"SEC. 2. The Secretary of the Treasury is hereby authorized to pay, out of said appropriation when made, such fees and expenses as the Secretary of the Interior may deem reasonable, on a quantum meruit basis, for services rendered by attorneys or agents having approved or heretofore approved contracts with said Indians, or approved assignments thereof, not to exceed, however, a total of 10 percent of the amount appropriated hereunder as follows:

"(1) A contract with Southern Ute Band and the Ute Mountain Band approved July 7, 1928, a partial assignment of which was approved on May 28, 1929.

"(2) A contract with the Uintah and White River Bands, approved on October 8, 1932, an assignment of which was approved on February 13, 1935.

"(3) A contract with the Uncompahgre Band approved October 8, 1932, an assignment of which was approved on February 13, 1935."

By the agreement approved on June 15, 1880 (21 Stat. L. 199), these Indians ceded approximately 12,000,000 acres of land in western Colorado, which should be "held and deemed to be public lands of the United States", subject to disposal as other lands of like character, with the proviso that "none of the said land, whether mineral or otherwise, shall be liable to entry and settlement under the provisions of the homestead law, but shall be subject to cash entry only in accordance with existing law", the proceeds to go to the Indians, less expenditures to carry out the act.

On May 23, 1910 (45 C. Cls. 440), under the jurisdiction of the act of March 3, 1908 (35 Stat. L. 788), the Court of Claims

awarded the Confederate Band of Ute Indians the sum of \$3,999,-072.50, for 3,199,258 acres of ceded lands (at \$1.25 an acre) taken by the United States after the agreement of 1880 for forest reserves and other public uses. In addition, the act of May 22, 1928 (45 Stat. L. 711), authorized the inclusion of approximately 10,000 acres of such lands in the Montezuma National Forest, payment therefor to be made at \$1.25 an acre; and the amount due therefor had been transferred to the credit of the Indians on the books of the Treasury.

By Executive order of December 6, 1916, 45,440 acres were set aside from the ceded lands as a naval oil reserve, of which 3,880 acres were later restored to their former status. Then, by Executive order of September 27, 1924, about 23,000 acres more were added to the reserve, making a total of 64,560 acres of the ceded lands taken by the United States and reserved for oil purposes. These lands are in townships 5, 6, and 7 south, ranges 93 to 96 west, sixth principal meridian, Colorado, and no compensation has ever been paid the Indians therefor. Under the law the lands were subject to disposal at \$2.50 an acre, including the minerals. Accordingly, the Indians should be paid for same at this rate, making a total of \$161,400.

The land involved here was part of that ceded by the agreement approved on June 15, 1880 (21 Stat. L., 199), which provided, in effect, that the money accruing to the Indians thereunder should be divided one-third to the Southern Utes, one half to the Uncompahgre Utes, and one-sixth to the White River Utes. The authorization act recognizes this division. Therefore the appropriation would be divided as follows:

Southern Utes, Colorado (one-third)-----	\$53,800
Uncompahgre Utes, Utah (one-half)-----	80,700
White River Utes, Utah (one-sixth)-----	26,900
	161,400

The act authorizing the appropriation makes provision for the payment on a quantum-meruit basis of fees to attorneys employed under certain definitely identified contracts. There are three such contracts, one between William Marshall Justis, Jr., and the Southern Ute Band, a half interest in which was assigned to Marion Butler, which contract, however, has expired; another between Raymond T. Bonnin and the Uintah and White River Bands; and a third between Mr. Bonnin and the Uncompahgre Band, both of which latter contracts have been assigned to Hughes, Schurman & Dwight. Not more than \$16,140 may be expended for fees and expenses of attorneys.

Mr. WAGNER. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 52, after line 11, it is proposed to insert the following:

OFFICE OF THE SECRETARY

General Committee of the Accident Prevention Conference: For salaries and expenses of the General Committee of the Accident Prevention Conference, authorized in the act entitled "An act to advance a program of national safety and accident prevention", approved May 28, 1936, including personal services in the District of Columbia and elsewhere, printing and binding, and all other expenditures authorized in said act, fiscal year 1937, \$50,000.

Mr. WAGNER. Mr. President, this appropriation was authorized by an act which became a law a few days ago. It is to provide the expenses of a conference of which the Senator from New Jersey [Mr. MOORE] is the chairman. There has been transmitted with the amendment a supplementary estimate by the Director of the Budget.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, I call up the amendment which I sent to the desk last week to be inserted on page 10.

The PRESIDING OFFICER. The amendment offered by the Senator from Wyoming will be stated.

The CHIEF CLERK. On page 10, after line 9, it is proposed to add the following proviso:

Provided, That nothing herein shall be construed to affect the status under the civil-service laws of any positions created under and by virtue of the act of April 27, 1935, or brought under the civil-service laws by Executive order heretofore or hereafter issued.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wyoming.

The amendment was agreed to.

Mr. HASTINGS. Mr. President, in accordance with the notice which I gave earlier in the day, I move that the Senate reconsider the vote of Saturday by which authority was given to investigate the Florida canal.

Mr. BULKLEY. Mr. President, will the Senator yield? I have a minor amendment to offer.

Mr. ROBINSON. Mr. President, there are a great number of minor amendments to be considered. I move to lay on the table the motion of the Senator from Delaware.

Mr. McNARY. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BILBO (when his name was called). I have a general pair with the senior Senator from Iowa [Mr. DICKINSON], which I transfer to the junior Senator from Alabama [Mr. BANKHEAD], and will vote. I vote "yea."

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. I transfer that pair to the senior Senator from Rhode Island [Mr. METCALF], and will vote. I vote "nay." I am advised that the Senator from Rhode Island, if present, would vote "nay."

Mr. MCGILL (when his name was called). On this question I have a pair with the senior Senator from Arizona [Mr. ASHURST]. If he were present, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. McNARY. On this question I have a pair with the senior Senator from Mississippi [Mr. HARRISON], who is unavoidably absent from the Senate. I transfer that pair to the senior Senator from South Dakota [Mr. NORBECK], and will vote. I vote "nay." If the Senator from South Dakota were present, he also would vote "nay", and if present the Senator from Mississippi would vote "yea."

Mr. FRAZIER (when Mr. NYE's name was called). On this question my colleague [Mr. NYE] is paired with the junior Senator from Texas [Mr. CONNALLY]. If my colleague were present, he would vote "nay", and I understand that the Senator from Texas, if present, would vote "yea" on this question.

Mr. SHIPSTEAD (when his name was called). On this question I am paired with the senior Senator from South Carolina [Mr. SMITH]. I am informed that if present he would vote "yea." If at liberty to vote, I should vote "nay." I withhold my vote.

Mr. TYDINGS (when his name was called). On this question I have a pair with the senior Senator from Nevada [Mr. PITTMAN]. If he were present, he would vote "yea", and if I were permitted to vote I should vote "nay."

Mr. VAN NUYS (when his name was called). On this question I have a pair with the senior Senator from West Virginia [Mr. NEELY]. If he were present, he would vote "yea", and if I were permitted to vote I should vote "nay." The roll call was concluded.

Mr. HAYDEN. I announce the unavoidable absence of my colleague the senior Senator from Arizona [Mr. ASHURST] because of the death of his brother. If present, my colleague would vote "yea."

Mr. BARKLEY. I announce the unavoidable absence of my colleague the Senator from Kentucky [Mr. LOGAN] on important official business.

Mr. DUFFY. On this question I am paired with the junior Senator from Georgia [Mr. RUSSELL]. If he were present, he would vote "yea." If I were permitted to vote, I should vote "nay."

Mr. ROBINSON. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], the Senator from Mississippi [Mr. HARRISON], the Senator from Nevada [Mr. MCCARRAN], and the Senator from South Carolina [Mr. SMITH] are detained from the Senate on account of illness.

The Senator from South Dakota [Mr. BULOW], the Senator from Illinois [Mr. DIETERICH], the Senator from New Jersey [Mr. MOORE], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Georgia [Mr. RUSSELL], the Senator from Massachusetts [Mr. WALSH], and the Senator from Montana [Mr. WHEELER] are detained on official business.

The Senator from Texas [Mr. CONNALLY], the Senator from Ohio [Mr. DONAHAY], the Senator from Oklahoma [Mr.

GORE], the Senator from Illinois [Mr. LEWIS], the Senator from West Virginia [Mr. NEELY], and the Senator from Nevada [Mr. PITTMAN] are unavoidably detained.

The result was announced—yeas 35, nays 32, as follows:

YEAS—35

Bachman	Caraway	Long	Reynolds
Bailey	Chavez	McAdoo	Robinson
Barkley	Fletcher	McKellar	Schwellenbach
Benson	George	Minton	Sheppard
Bilbo	Guffey	Murray	Thomas, Okla.
Black	Hatch	Norris	Thomas, Utah
Bone	Hayden	Overton	Truman
Brown	Johnson	Pope	Wagner
Byrnes	Loftin	Raddcliffe	

NAYS—32

Adams	Carey	Gibson	Loneragan
Austin	Clark	Glass	McNary
Barbour	Coolidge	Hale	Maloney
Borah	Copeland	Hastings	Murphy
Bulkeley	Couzens	Holt	Steiner
Burke	Davis	Keyes	Townsend
Byrd	Frazier	King	Vandenberg
Capper	Gerry	La Follette	White

NOT VOTING—29

Ashurst	Duffy	Moore	Smith
Bankhead	Gore	Neely	Tydings
Bulow	Harrison	Norbeck	Van Nuys
Connally	Lewis	Nye	Walsh
Costigan	Logan	O'Mahoney	Wheeler
Dickinson	McCarran	Pittman	
Dieterich	McGill	Russell	
Donahay	Metcalf	Shipstead	

So Mr. ROBINSON's motion to lay on the table Mr. HASTING's motion to reconsider was agreed to.

Mr. ROBINSON. Mr. President, I offer an amendment, to which I ask the attention of the Senator from Colorado.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 6, after line 3, it is proposed to insert the following:

UNITED STATES CONSTITUTION SESQUICENTENNIAL COMMISSION

For carrying out the provisions of the public resolution entitled "Joint resolution to enable the United States Constitution Sesquicentennial Commission to carry out and give effect to certain approved plans, and for other purposes", approved June 1, 1936, \$200,000, to remain available until expended.

Mr. ROBINSON. Mr. President, I have offered the amendment at the instance of the senior Senator from Arizona [Mr. ASHURST], who is unavoidably absent because of the death of a member of his family. The amendment carries out the provisions of a measure which has been passed during the present Congress.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Arkansas.

The amendment was agreed to.

Mr. ROBINSON. Mr. President, I again ask the attention of the Senator from Colorado [Mr. ADAMS] to an amendment which I send to the desk and ask to have stated. The amendment is to carry out the provisions of a bill which has not as yet passed the House of Representatives, but which has passed the Senate. I will state that if the bill does not pass the House of Representatives the amendment may be eliminated in conference.

It is necessary to offer the amendment because of the fact that otherwise it will be necessary to pass a separate joint resolution, and there may not be time afforded to consider such a separate measure. The amendment is intended to carry out the provisions of a bill providing for a contribution on the part of the United States to the proceedings commemorating the admission of the State of Arkansas into the Union.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 5, after line 7, it is proposed to insert the following:

To carry out the provisions of Senate Joint Resolution 229, providing for the contribution of the United States to the commemoration of the admission of the State of Arkansas to the Federal Union, \$150,000.

The amendment was agreed to.

Mr. ROBINSON. Mr. President, I have another amendment which is in the same status as the amendment just

adopted. This amendment is intended to carry out the provisions of Senate Joint Resolution 229, authorizing the Marine Band to visit Dallas, Tex., Shreveport, La., and Little Rock, Ark., in attendance upon certain assemblies there. The joint resolution has been favorably reported by a House committee, and is pending on the calendar in that body. It has already passed the Senate.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 62, after line 16, it is proposed to insert the following:

To carry out the provisions of Senate bill 4354, to authorize the attendance of the Marine Band at the Arkansas Centennial Celebration, \$11,500.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I invite the attention of the Senator from Colorado [Mr. ADAMS] to the amendment, which I send to the desk. It has received the approval of the Bureau of the Budget. It does not involve an additional appropriation but merely continues an appropriation already made.

The VICE PRESIDENT. The clerk will report the amendment.

The CHIEF CLERK. On page 93, after line 9, it is proposed to insert the following:

Commission to study the subject of Hernando De Soto's expedition: The unexpended balance of the appropriation "Commission to study the subject of Hernando De Soto's expedition, Department of State, 1936", is continued available for the same purposes until June 30, 1939, to enable the Commission to make its report to Congress as provided by the act entitled "An act extending the time for making the report of the Commission to study the subject of Hernando De Soto's Expedition", approved May 27, 1936.

The amendment was agreed to.

Mr. VANDENBERG. Mr. President, I wish to recur to the amendment which I discussed with the Senator from South Carolina [Mr. BYRNES] a few moments ago. In order to partially cure his objection, although I am sure I could not cure his fundamental objection, I am going to offer the amendment with the word "knowingly" inserted in front of the word "receives", so that the amendment would read:

Or who solicits or knowingly receives any political contribution from persons for whom any portion of the foregoing appropriation for relief or work relief is intended.

Mr. BYRNES. Mr. President, after the Treasurer receives a dollar from any person, he knows he has received the dollar.

Mr. VANDENBERG. Oh, Mr. President, the Senator is quibbling.

Mr. BYRNES. If that is quibbling, it is the interpretation which any sensible person would put upon the language.

Mr. VANDENBERG. I think the Senator is so sensible that he knows what he is doing.

Mr. BYRNES. I cannot say that for the Senator from Michigan.

Mr. TYDINGS. Mr. President, perhaps the Senator would get a few votes on this side of the Chamber if he would strike out the words "or knowingly receives."

Mr. VANDENBERG. I modify my amendment according to the suggestion of the Senator from Maryland, and ask for the yeas and nays.

The VICE PRESIDENT. The amendment as modified will be stated.

The CHIEF CLERK. On page 32, in line 24, after the word "doing", it is proposed to insert the following:

Or who solicits any political contributions from persons for whom any portion of the foregoing appropriation for relief or work relief is intended.

So as to make the paragraph read:

Any person who knowingly and with intent to defraud the United States makes any false statement in connection with any application for any project, employment, or relief aid under the foregoing appropriation, or diverts, or attempts to divert, or assists in diverting for the benefit of any person or persons not entitled thereto, any portion of the foregoing appropriation, or any services or real or personal property acquired thereunder, or

who knowingly, by means of any fraud, force, threat, intimidation, or boycott, or discrimination on account of race, religion, or political affiliations, deprives any person of any of the benefits to which he may be entitled under the foregoing appropriation, or attempts so to do, or assists in so doing, or who solicits any political contribution from persons for whom any portion of the foregoing appropriation for relief or work relief is intended, shall be deemed guilty of a misdemeanor and fined not more than \$2,000 or imprisoned not more than 1 year, or both.

Mr. BYRNES. Mr. President, with the modification of the amendment as suggested by the Senator from Maryland, so far as I am concerned I have no objection.

Mr. BORAH. Mr. President, I should think the Senator from South Carolina and all other Senators would be in favor of the proposition.

Mr. BYRNES. I have said I have no objection.

Mr. BORAH. In my opinion, it is ineffective as it is now proposed. If we strike out of the amendment the words "knowingly receives for political purposes", in my opinion, we have emasculated the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Michigan as modified.

The amendment as modified was agreed to.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Hattigan, one of its enrolling clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 11418. An act making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1937, and for other purposes; and

H. R. 12027. An act to authorize the execution of plans for a permanent memorial to Thomas Jefferson.

FIRST DEFICIENCY APPROPRIATIONS

The Senate resumed consideration of the bill (H. R. 12624) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1936, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1936, and June 30, 1937, and for other purposes.

Mr. SHEPPARD. Mr. President, I offer the amendment which I send to the desk. It is based on a supplemental Budget estimate.

The VICE PRESIDENT. The amendment offered by the Senator from Texas will be stated.

The CHIEF CLERK. On page 53, after line 20, it is proposed to insert:

Special projects: For establishing and improving aids to navigation and other works, including the construction, or purchase, and equipment of a lighthouse tender at a cost not to exceed \$125,000, as may be specifically approved by the Secretary of Commerce, \$402,000, to continue available until June 30, 1938.

Mr. SHEPPARD. As I have said, Mr. President, this amendment is based on a supplemental Budget estimate.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Texas.

The amendment was agreed to.

Mr. BYRNES. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 94, line 20, after the word "fund" and before the period, it is proposed to insert a colon and the following proviso:

Provided, That this fund shall also be available to the Secretary of the Treasury to pay each Federal land bank such amount as the Land Bank Commissioner certifies to the Secretary of the Treasury is equal to the amount by which interest payments on mortgages held by such bank have been reduced during the fiscal year beginning July 1, 1936, in accordance with the provisions of paragraph "Twelfth" of section 12 of the Federal Farm Loan Act, as amended.

Mr. BYRNES. Mr. President, in explanation of the amendment I will say that the Senate today passed a House bill, the enactment of which will make necessary a change in the language on page 94 in order to make the fund available for the purposes intended.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from South Carolina. The amendment was agreed to.

Mr. LA FOLLETTE. Mr. President, I offer the amendment which I send to the desk, and call it to the attention of the Senator from Colorado in charge of the bill.

The VICE PRESIDENT. The amendment offered by the Senator from Wisconsin will be stated.

The CHIEF CLERK. On page 59, after line 12, it is proposed to insert a new paragraph, reading as follows:

Support of Indians and administration of Indian property (tribal funds): Appropriations from tribal funds of the Menominee Indians of Wisconsin, fiscal years 1935, 1936, and 1937, for general support of Indians and administration of Indian property (Keshena Agency), are hereby made available for hospitalization of Indians under contracts for such service for such fiscal years, and the Comptroller General of the United States is hereby authorized and directed to allow credit in the accounts of disbursing agents of the United States for payments heretofore made on this account.

Mr. LA FOLLETTE. Mr. President, for the benefit of the Senator from Colorado I will say that this amendment is to take care of a situation caused by a ruling of the Comptroller General on May 4, 1936, disallowing a contract for the lease to the Bureau of Catholic Indian Missions of the hospital building, nurses' home, physician's cottage, and other buildings of the Keshena Indian Agency, Keshena, Wis. The plan for the care and hospitalization of the Indians was laid before the committee when the 1936 appropriation bill was under consideration. However, this ruling of the Comptroller General upsets the estimates; and unless this contract shall be authorized, the amount available will be short about \$40,000. I therefore hope the amendment will be adopted.

The PRESIDING OFFICER (Mr. CLARK in the chair). The question is on agreeing to the amendment offered by the Senator from Wisconsin.

The amendment was agreed to.

Mr. GEORGE. Mr. President, I send to the desk an amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 128, after line 11, it is proposed to insert a new section, to be known as section 7 (c), as follows:

(c) Not more than \$2,000,000 of the sums appropriated by section 2 of the Independent Offices Appropriation Act, 1937, for carrying out sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act shall be available to the Department of Agriculture for the purposes of carrying out such act with respect to land devoted to growing trees for the production of gum turpentine and gum rosin.

Mr. GEORGE. Mr. President, let me say merely that this amendment does not add any new appropriation. It is both a restriction and a recognition of the right and power of the Secretary of Agriculture to utilize, for the purposes stated in the amendment, a portion of the appropriation heretofore made for the administration of the Soil Erosion Act.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia.

The amendment was agreed to.

Mr. BILBO. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 33, after line 2, it is proposed to insert the following paragraph:

No part of the funds or moneys appropriated under this title no. 2 shall be used to pay the salaries or expenses of any person who is a candidate for any State, district, county, or municipal office (such office requiring full time of such person or to which office a salary attaches) in any primary, general or special election, or is serving as a campaign manager or assistant thereto for any such candidate, or is a member of any campaign committee organized to promote the political interest of any candidate for such office, or holds, either by appointment or election, any public office, and such persons shall not be employed or continued in employment on administration's staffs of any agency administering any of the funds herein appropriated: Provided further, That this prohibition or ineligibility shall apply to any person employed or seeking employ-

ment on nonrelief supervisory personnel on such agency projects, as well as on State, district, and field representative staffs thereof.

Mr. BILBO. Mr. President, this is an amendment which I am sure no good Democrat would vote against, and which every loyal Republican ought to vote for.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Mississippi.

The amendment was agreed to.

Mr. BYRD. Mr. President, I offer an amendment to be inserted on page 36. I send it to the desk and ask to have it stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Virginia will be stated.

The CHIEF CLERK. On page 36, after line 8, it is proposed to insert the following:

The appropriation of \$1,425,000,000, and all sums making up this total, contained in title II of this act, are hereby reduced by 20 percent.

Mr. BYRD. Mr. President, the Senate has added \$300,000,000 to this bill for work relief by making available \$300,000,000 of securities to the Federal Emergency Administrator for Public Works. The purpose of my amendment is to reduce proportionately the amounts carried in the bill under the item of \$1,425,000,000 for the Works Progress Administration by approximately the amount which has been appropriated for the Public Works Administration.

At this late hour I do not wish to take the time of the Senate, except to call attention to the fact that if the bill shall be passed in its present form the Government will spend, for the fiscal year beginning July 1, 1937, \$1,000,000,000 more than for the fiscal year we are now in for the ordinary expenses of government and for recovery and relief, excluding the bonus payments.

I think the people of the country have the right to expect that when conditions improve the expenditures of the Government shall be reduced; and, as I have said, if the bill shall be passed in its present form, we shall spend next year \$1,000,000,000 more than this year, and we shall spend three and a half billion dollars more than for 1933.

I hope the Senate may reduce the amount carried by this appropriation bill to the point recommended by the President, because we have added \$300,000,000 more than the President recommended and more than was included in the bill as it was passed by the House of Representatives.

Mr. COPELAND. Mr. President, I should like to have the attention of the chairman of the Committee on Appropriations, if I may. The conferees are in full agreement regarding the items in the omnibus flood-control bill. That bill makes provision for an expenditure this year of \$50,000,000. In the Overton bill, relating to the lower Mississippi flood work, there are certain transfers made to carry on the work under that measure so that it will not be necessary, probably, to make any new appropriation, but it will be necessary if we are to have the flood-control activities carried out this year to ask for \$50,000,000. The question I am addressing to the chairman of the Committee on Appropriations is whether we should ask now that the \$50,000,000 be added to the pending deficiency bill, or whether we should wait until action has been completed on the proposed legislation and ask for a supplementary estimate and an appropriation?

Mr. GLASS. Mr. President, I do not think we contemplate any other deficiency bill at this session of the Congress.

Mr. COPELAND. Of course, we have no Budget estimate for this item. We have the legislation, but the matter has not been submitted to the Bureau of the Budget.

Mr. GLASS. It might be taken care of by a joint resolution.

Mr. COPELAND. What is the advice of the chairman of the Committee on Appropriations and, perhaps, of the chairman of the subcommittee? What should we do about the matter?

Mr. GLASS. I should think the Senator would better endeavor to attend to it by a joint resolution of the two Houses. The advice of the chairman of the Committee on Appropriations is never to include anything in an appropri-

ation bill which has not been before the Bureau of the Budget for an ordinary estimate.

Mr. COPELAND. May I ask the chairman of the subcommittee what is his feeling about the matter?

Mr. ADAMS. I am in entire accord with the chairman of the committee.

Mr. COPELAND. Very well. Then I want Senators to be on notice that there are 40 States interested in this bill, and sometime before final adjournment it will be necessary to ask for an appropriation to carry on the flood-control work.

The PRESIDING OFFICER (Mr. CLARK in the chair). The question is on agreeing to the amendment offered by the Senator from Virginia (Mr. BYRD).

The amendment was rejected.

Mr. THOMAS of Oklahoma. Mr. President, on the 26th of May the President sent to the Senate a number of supplemental estimates. There are three of these which pertain to the Indian Service, and because of that fact, I presume, they have been placed in my hands for presentation to the Senate.

One of the amendments provides for support of the Indians and administration of Indian property, calling for an appropriation of \$11,500. I ask permission, after the several amendments have been acted upon, to insert the justifications for them in the RECORD.

Another amendment is in pursuance of an act passed by the Congress on April 10, 1936, Private Act No. 448. It carries an appropriation of \$504.41, and it is in the nature of a private claim for Mrs. Earl H. Smith.

The third item is for \$10,000, to replace a dairy barn, a hay shed, and milk house at the Jones Academy in Oklahoma.

I offer the three amendments, and ask that the justifications be printed following the action on each amendment.

The PRESIDING OFFICER. The clerk will state the first amendment.

The CHIEF CLERK. It is proposed, on page 60, after line 14, to insert a new paragraph, as follows:

Payment to Mrs. Earl H. Smith: For payment to Mrs. Earl H. Smith, administratrix of the estate of Earl H. Smith, as authorized by the act of April 10, 1936 (Private 448, 74th Cong.), fiscal year 1937, \$504.41.

Mr. ADAMS. Mr. President, the Committee on Appropriations was created, I have always assumed, to carry out certain definite functions. We have always tried to get information in reference to items which have been brought before us. I am merely using the pending amendment as a reason for making the statement I desire to submit, because the Senator from Oklahoma commented on the fact that the amendment came in late.

These estimates, along with a number of others, came to the committee after the subcommittee had ceased its hearings, and just as the committee as a whole were adjourning. We have had no chance to consider these items. There are a number of other amendments offered from the floor in the same situation, and I feel that if the Senate Committee on Appropriations, and particularly the subcommittee, are to be of any service to the Senate, Budget estimates and various amendments ought to be submitted to those committees in time to have hearings and to obtain some information.

We go to conference on these matters, and we are very promptly asked by the conferees from the House, "Did you have any hearing on these matters?" They ask us what we know about them. The House has made a rather uniform practice of holding hearings upon their items. They come to conferences better prepared than we are, and we are given no chance; we are expected to go into a conference representing the views of the Senate; yet we have no information as to these items, and amendment after amendment and appropriation after appropriation is flooded out across the floor and the conferees are then expected to make a defense and a support of such amendments.

I am not directing my remarks to this particular amendment, but discussing a general situation which embarrasses the conferees.

Mr. THOMAS of Oklahoma. Mr. President, I recognize the full force of the statement made by the Senator from Colorado, but the Indians are the wards of the Government, and they are not responsible for public officials not sending in their estimates. Of all persons in the Nation, these wards should not be taken advantage of, and I submit that these small items, only nominal, should be included in the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from Oklahoma has asked unanimous consent that the justification for the amendment be printed in the RECORD at this point. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

PAYMENT TO MRS. EARL H. SMITH

This item is submitted pursuant to the act of April 10, 1936, reading as follows:

"That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$504.41 to Mrs. Earl H. Smith, administratrix of the estate of Earl H. Smith, for labor performed by the said Earl H. Smith in full settlement in the construction of the Indian hospital at Tomah, Wis."

This legislation grew out of a claim by Earl H. Smith for compensation for labor performed in connection with the construction of an Indian Service hospital at Tomah, Wis., in 1932. The original claim, amounting to \$519, was based on the following:

200 hours of employment, June 1932, at \$1.50.....	\$300
180 hours of employment, July 1932, at \$0.75.....	135
112 hours of employment, August 1932, at \$0.75.....	84

Total.....	519
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The difference of \$14.59 represents an overpayment made to Mr. Smith while he was employed, which overpayment was never collected.

The period covered by the claim represents the time when the construction job was closed down because of uncertainty as to whether or not the appropriation was sufficient to complete the job. While responsibility for construction work rested with the superintendent of construction for the northwest area, the superintendent of the Tomah School ordered the work to cease until he had an opportunity to establish definitely that available funds were sufficient to complete the work. Notwithstanding the order of the local superintendent the construction supervisor directed Mr. Smith to remain on the job, inasmuch as the building had recently been plastered and it was necessary that appropriate steps be taken to see that the plaster was properly cured. Mr. Smith of course expected to receive compensation for his services. The superintendent of construction was a comparatively new employee and had not yet become thoroughly conversant with the various regulations of the Indian Service. He was unaware of the fact that he had no authority to obligate the funds for this project.

The Comptroller General had given consideration to a similar case and issued a ruling thereon under date of September 30, 1931 (A-38364). The Comptroller said in part: "As * * * his employment was temporarily suspended * * * and as there was no authority in the superintendent (of construction) to arrange or contract with him for payment of compensation when no services were being performed and no construction being done, he could not be paid for the period in question even if the superintendent (of construction) did advise him that he would be 'paid in full.'"

He further held that "it is apparent that if the former superintendent (of construction) did ask the claimant to remain he exceeded his authority and that the United States is not bound by his action. All persons dealing with officers of the Government are chargeable with knowledge of the limited authority they may have of binding the Government."

It has been determined that Mr. Smith did render service during the time claimed. It will be noted from the tabulation above that the rate of pay for the months of July and August is only one-half of the amount claimed per hour for the month of June. The local superintendent contended that Mr. Smith could not perform any work in connection with the project because the building was padlocked. He further stated that the foreman of a gang doing repair and improvement work on the school plant attended to the airing of the building during a portion of the period when work was suspended. When Mr. Smith presented his claim to the Indian Office it was held that he was not entitled to pay from June 1 to August 17. The basis for that action was twofold—(a) that the job was closed down and (b) the rulings of the Comptroller General prohibited the payment in question.

It appears from the record, however, that there was considerable misunderstanding, particularly on the part of the superintendent of construction. He was acting in good faith and Mr. Smith was relying upon the directions issued by the superintendent of construction.

The PRESIDING OFFICER. The clerk will state the next amendment offered by the Senator from Oklahoma [Mr. THOMAS].

The CHIEF CLERK. It is proposed on page 59, after line 19, to insert the following:

Indian boarding schools (Jones Academy, Oklahoma): For dairy barn, hay shed, and milk house, Jones Academy, Oklahoma, fiscal year 1937, \$10,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from Oklahoma has asked unanimous consent to have the justification for the amendment printed in the RECORD at this point.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

INDIAN BOARDING SCHOOLS

The amount here requested is to restore facilities recently destroyed by fire. Jones Academy, located near Hartshorne, Okla., accommodates approximately 175 boys, mostly members of the Choctaw Tribe. The school maintains a dairy herd, both for the production of milk for the school, and instruction purposes for the older boys. Plans and estimates have been prepared covering the facilities to be replaced. The dairy herd at present consists of 22 animals, but there are no facilities for caring for the herd or the milk produced by it.

The PRESIDING OFFICER. The clerk will state the next amendment offered by the Senator from Oklahoma.

The CHIEF CLERK. On page 59, after line 12, it is proposed to insert the following:

SUPPORT OF INDIANS AND ADMINISTRATION OF INDIAN PROPERTY

For an additional amount for general support of Indians and administration of Indian property, including pay of employees authorized by continuing or permanent treaty provisions, fiscal year 1937, \$11,500.

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from Oklahoma asks unanimous consent to have the justification for the amendment printed in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

SUPPORT OF INDIANS AND ADMINISTRATION OF INDIAN PROPERTY

This additional amount is needed to finance the added burdens placed upon the Indian Service by reason of the enactment of the act of February 11, 1936 (Public, No. 441, 74th Cong.), reading as follows:

"That from and after 30 days from the date of approval of this act the restricted lands belonging to Indians of the Five Civilized Tribes in Oklahoma of one-half or more Indian blood, enrolled or unenrolled, may be leased for periods of not to exceed 5 years for farming and grazing purposes, under such rules and regulations as the Secretary of the Interior may prescribe and not otherwise. Such leases shall be made by the owner or owners of such lands, if adults, subject to approval by the superintendent or other official in charge of the Five Civilized Tribes Agency, and by such superintendent or other official in charge of said agency in cases of minors and of Indians who are non compos mentis."

The purpose of this legislation is outlined in a letter dated March 2, 1935, addressed to the chairman of the Committee on Indian Affairs, United States Senate, by the Secretary of the Interior. The following quotations are from this letter:

"Since the passage of the act of May 10, 1928 (45 Stat. 495), section 2 of the act of May 27, 1908 (35 Stat. 312), which was designed to give the greatest measure of protection to the Indians in the leasing of their homestead allotments, fails to give the protection necessary best to serve and protect the welfare of the Indians. By reference to section 2 of the act of May 27, 1908, it will be noted that lands allotted as surplus allotments may be leased by the Indians for 5 years without approval, while homestead allotments were protected against leases for more than 1 year without approval of this Department. (The special estate for after-born children created by sec. 9 of the act of May 27, 1908, expired Apr. 26, 1931.) But the original homestead allotment is not always the actual homestead of the Indian, because in many instances the lands designated as tax-exempt under section 4 of the act of May 10, 1928, are not homestead allotments. The tax-exempt selections are mostly tracts which include the best lands or the lands on which the Indians have established their permanent homes. They may be from either the original homestead or the original surplus allotment; and we desire that the Indians be afforded ample protection in the future leasing of such lands. The tax-exempt acreage in many cases is all that the Indians have remaining, and experience has shown that through the making of long-term leases the Indians in many instances will practically lease themselves out of a home."

"The enclosed draft of bill makes no distinction in the leasing of homestead, surplus, or tax-exempt lands. I can see no logical basis for any distinction as the remaining restricted Indians of the

Five Civilized Tribes are those in most need of supervision and their land holdings in most cases are considerably less than when their allotments were originally made. But few, if any, heirs among them who would come under the provisions of the bill, have inherited and retained as much as an entire allotment."

Under this recent enactment no agricultural leases can now be made by a member of the Five Civilized Tribes of one-half or more Indian blood, enrolled or unenrolled, without approval of the superintendent. It has been estimated that not more than 5 percent of the leases for farming and grazing purposes in the Five Tribes are departmental. The Five Tribes area covers 40 counties, or 30,000 square miles. From figures obtainable at present it appears there are about 12,000 living restricted enrolled Five Tribes Indians. To this should be added approximately 16,000 unenrolled in the restricted class, making a total of 28,000 restricted Indians. Our records show there are 1,511,769 acres of land held by restricted Indians as tax exempt. Probably 75 percent of the restricted Indians will have some land which they desire to lease for farming and grazing purposes. These figures give some idea as to the magnitude of the work to be done in handling leases under the new act.

The following tabulation shows the approximate division of the estimate:

5 land appraisers at \$1,800 each.....	\$9,000
5 automobiles at \$650 each.....	3,250
Traveling expenses, \$600 per man per year.....	3,000
2 clerks, headquarters' office, at \$1,620.....	3,240
Office equipment, supplies, and miscellaneous.....	1,460
	19,950
Less savings due to delays in filling positions.....	8,450
Total estimate.....	11,500

This represents our minimum requirement for the coming fiscal year. No other funds are available to meet this added expenses.

Mr. BARKLEY. Mr. President, I rise to make an inquiry of the Senator from Colorado. I have just had handed to me a telegram from the mayor of Lexington, Ky., calling attention to the fact that there is a rumor that the pending bill contains a limitation as to the time during which or prior to which applications for allotments under the P. W. A. appropriation must be made, fixing March 31 as the date on which he says they must have been in. I have examined the bill, and I find no such limitation in the bill.

Mr. ADAMS. The only approach to a limitation is the provision as to the year 1938.

Mr. BARKLEY. That is the time when the projects must be completed. Of course, an application has to be made before work can begin.

Mr. ADAMS. Certainly.

Mr. BYRNES. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. It is proposed, on page 30, line 5, after the word "sums", to insert the words "not exceeding \$50,000,000."

Mr. BYRNES. Mr. President, I ask unanimous consent that the vote by which the amendment as amended, commencing on page 29, line 24, was adopted, be reconsidered, in order that my proposed amendment to the amendment may be considered.

I desire to say to the Senate that when this committee amendment was agreed to, the committee was informed that the amount involved was not in excess of \$50,000,000. Upon investigation I find that the unexpended balances exceed that sum, and I want the bill specifically to provide that not exceeding \$50,000,000 shall be available for the purpose named.

The PRESIDING OFFICER. The Senator from South Carolina asks unanimous consent to reconsider the vote by which the amendment, as amended, beginning in line 24, page 29, was agreed to. Is there objection? The Chair hears none, and the vote by which the amendment, as amended, was agreed to is reconsidered.

The question now is on agreeing to the amendment offered by the Senator from South Carolina to the amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. FRAZIER. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 61, after line 18, it is proposed to insert the following:

Studies of sub-bituminous and lignite coal: For studies, investigations, and experiments with respect to sub-bituminous and lignite coal, as authorized by the Act of May 15, 1936 (Public, No. 591, 74th Cong.), for the fiscal year ending June 30, 1937, \$40,000.

Mr. FRAZIER. Mr. President, this amendment simply carries out an authorization in the bill that was approved by the President on May 20. The item was sent to the committee on the last day the bill was being considered—one of those late reports—and the committee did not have time to consider it on the day they reported out the bill. The amendment simply provides for an investigation to be made by the Bureau of Mines. The bill was approved by the Bureau of Mines and the Secretary of the Interior, and also by the Bureau of the Budget. The Secretary of the Interior states that it will work in with the investigations they are making in fuel tests under the regular appropriation bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota. The amendment was agreed to.

Mr. BULKLEY. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 83, after line 12, it is proposed to insert:

To carry out the provisions of Senate bill no. 267, Seventy-fourth Congress, first session, entitled "An act for the relief of certain officers and employees of the Foreign Service of the United States, who, while in the course of their respective duties, suffered losses of personal nature", to remain available during the fiscal year 1937, \$20,647.25.

Mr. BULKLEY. Mr. President, the amendment is to carry out the provisions of a bill which has been passed by both Houses of Congress.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio.

The amendment was agreed to.

Mr. VANDENBERG. Mr. President, I now desire to offer a substitute for title II. I am going to accommodate the Senate's mood by making it possible to have a vote upon the proposed substitute in 3 or 4 minutes.

I discussed this matter completely 2 weeks ago, and so did the able Senator from Arkansas [Mr. ROBINSON] upon the other side, and the able Senator from South Carolina [Mr. BYRNES], with his usual correspondence from the Budget Director.

I think perhaps I can save time if, instead of having the substitute read, I briefly indicate its contents, because I have no illusions as to what is about to happen to it. [Laughter.] I simply wish to make the record, because the record may be important.

Mr. President, those of us who have labored upon the substitute are proceeding on the theory that relief cannot be reduced to a reasonable basis of cost, and waste and extravagance and political exploitation eliminated, except as we return those responsibilities to the States. The substitute returns to the States the responsibility for relief decisions and the responsibility for relief administration.

It is the theory of those who have worked upon the substitute that when the Federal Government provides the grants-in-aid, and those grants-in-aid are matched on the basis of 35 to 65 by the States, the net result will be an inevitable re-creation of home responsibility, which will produce the essential economies which the situation in which the country finds itself desperately cries out for. It is the further theory of those who present the substitute that those who are on relief will be infinitely better off under the theory and purpose of the substitute, because when the funds are returned to local responsibility they are returned to those who intimately know the needs and necessities of those who are on relief; and under the terms and purpose of the substitute, relief will be administered on a basis of equity instead of on a basis of politics in any aspect.

Mr. President, the mathematics of the substitute is simply this, and then I am done: Precisely the same grand total of \$1,425,000,000 is provided in the substitute that is provided in the pending bill itself; but only \$1,000,000,000 is provided for regular allocation, and the other \$425,000,000 is set aside for allocation for emergencies at the discretion of the President if he finds that \$1,000,000,000 will not pay the bill.

It is the belief and conviction of those who have prepared the substitute that under this different method of administration and decision and responsibility, \$1,000,000,000 will do everything that \$1,425,000,000 would do under the present and existing system, and that \$1,000,000,000 will buy more actual relief for those who are suffering and in need of relief.

Therefore, Mr. President, I ask unanimous consent to suspend the reading of the amendment. I ask for the yeas and nays upon the general proposition which I have briefly outlined, and with which, I know, the Senate is completely familiar in detail. I ask that the substitute amendment be printed in the RECORD at this point.

The PRESIDING OFFICER. The Senator from Michigan asks that the reading of the substitute amendment which he offers be dispensed with. Is there objection? The Chair hears none. The substitute amendment will be printed in the RECORD at this point.

The amendment, in the nature of a substitute, is as follows:

As a substitute for title II, as amended, it is proposed to insert:
 "To provide adequate home relief and/or work relief, including the cost of administration thereof, in the United States and its Territories and possessions, in cooperation with these subdivisions and on the basis of their administrative responsibility and pursuant to their decisions respecting the character of relief within their jurisdictions, \$1,425,000,000, to remain available until June 30, 1937, subject to the following terms and conditions:

"(a) This appropriation shall be available for payment of grants-in-aid to the States, Territories, and possessions in the following classifications: (1) \$425,000,000 for emergencies and (2) \$1,000,000,000 for regular allocations.

"(b) The sum designated for emergencies shall be available for grants-in-aid by order of the President to meet any extraordinary or unforeseen contingencies, according to the discretion of the President, and without regard to any other requirements in this section: *Provided*, That this sum also shall include the expense of Federal administration of the entire relief appropriation.

"(c) The sum designated for allocations shall be allocated by the President at his discretion with due and equitable regard for all of the following factors: (1) Relative population; (2) relative unemployment; (3) relative living costs, including seasonal and climatic conditions; and (4) relative financial resources.

"(d) The sums allocated under subsection (c) shall be paid on a quarterly basis by order of the President to the States, Territories, and possessions when (1) the governor of each subdivision or the District Commissioners, in the case of the District of Columbia, shall have certified to the President that he has appointed a bi-partisan board of relief trustees, who shall become custodians for the receipt and disbursement of the Federal grants-in-aid; and when (2) each such board of relief trustees shall have certified to the President that its subdivision or any unit thereof has provided, or is prepared to provide, not less than 35 percent of the cost, either in money, materials, services, equipment, or other contributions, of the relief programs, including cost of administration, which each such board of relief trustees shall designate to receive the Federal grants-in-aid.

"(e) Each subdivision shall decide through its own duly constituted authorities, with the approval of its board of relief trustees, what type of relief shall be undertaken, and each subdivision shall assume full administrative authority therefor: *Provided*, That any such relief shall be distributed without discrimination on account of race, religion, or political affiliations. Any person who knowingly violates this proviso in connection with the allocation or administration of any such grant, or who knowingly makes any false statement in connection with any applications or reports that may be required by this section, or who solicits or receives political contributions from any other person on relief or connected with the administration thereof, shall be deemed guilty of a misdemeanor and fined not more than \$2,000 or imprisoned not more than 1 year, or both.

"(f) Each board of relief trustees shall furnish such reports from time to time as may be required by the President, and shall account for the expenditures of all Federal funds disbursed by it, and such reports shall include comprehensive information respecting all phases of relief needs that may be required hereafter in determining future grants-in-aid."

Mr. BORAH. Mr. President, I understand the Senator from Michigan has called for the yeas and nays.

The PRESIDING OFFICER. That is correct.

Mr. BORAH. I desire to say a word before the yeas and nays are ordered. Something like 18 months ago I made some investigation as to what was considered waste and extravagance in administering this relief fund. I was advised on numerous occasions by Mr. Hopkins or his representatives that by reason of the fact that this fund was being administered largely by local authorities, to whom he had granted the fund, he was unable to keep control and unable to enforce his ideas of economies in regard to it. I came to the conclusion that Mr. Hopkins was correct in his view. I cannot believe that it is in the interest of economy or in the interest of better administration of the fund for one sovereignty to contribute the fund and for another to administer it?

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. VANDENBERG. I should like to give the Senator just one exhibit which was submitted to the committee to demonstrate what happens by way of stupendously increased burden under the existing system. The president of the Borough of Queens in New York testified that under local control 11,000 cases were handled with 275 administrators, while under the new system 16,000 cases required 2,056 administrators; and I submit to the Senator that the elimination of that character of duplication and overlapping and multiplication is the thing which would permit economy, in my humble judgment.

Mr. BORAH. Mr. President, I do not know what the situation is or what the facts are with reference to that particular matter, but I do know that politics do not stop at State lines. I do know that political administration will be just the same whether it is under the control of the State authorities or whether it is under the control of the national authorities, just because of the proposition that the people at home who are administering the fund are administering a fund from the National Government. They are not administering a fund from the State government except in a limited degree. They are administering the fund from the National Government. This tends to dissipate a sense of responsibility.

It is calculated to bring about a less sense of responsibility when they are administering a fund under those conditions than if they were administering a fund at home. If the entire fund were to be raised by the States and the people at home were conscious of the fact that in accordance with the way in which they spent it they should be taxed, that would be one thing. But we know that while it is true that the taxpayer is the same under the National Government and the State government, nevertheless when we are actually raising the fund by one sovereignty and turning it over to another, we leave an interim where the looseness of administration takes place.

I made a rather extended investigation of that matter in connection with Mr. Hopkins and came to the conclusion that we ought to fix responsibility somewhere and that the responsibility ought to be fixed upon the agents of that sovereignty which contributes the larger portion of the fund.

Let us suppose that we send this money into certain States; what will be the difference after it gets there in the administration now and the administration then? The same condition will exist with reference to the administration of it. The same agencies, the same authorities, with reference to distribution, will exist in the States then as they do at the present time. But there will be this additional fact, which is calculated to make them less economical and less responsible, and that is that they are distributing another sovereign's money. I do not believe that is calculated to bring about economy or bring about any better administration. On the other hand, I think it is calculated to bring about the reverse.

Of course, I know there is waste in administering such a large fund. I know there is extravagance in administering it. I say frankly I do not know of any way to prevent it except through the sense of responsibility of those who administer it. I think that sense of responsibility is much

greater if it is administered by those who are responsible for the fund. If, in other words, the national administration goes before the country responsible for these continued increases in the amount of money which is to be distributed, it seems to me the sense of responsibility is very much greater than if they go before the country having provided the funds but saying they turn them over to the States to administer and are not responsible for what the States do. I do not want to wipe out that sense of responsibility. Someone will have to be held responsible for it sometime. Let those be responsible for it who are administering funds of their own and not administering somebody else's funds. I believe in holding those who ask for the money of taxpayers responsible for its economical disbursement. I do not believe in this divided responsibility. It of itself begets waste and extravagance.

Mr. SCHWELLENBACH. I have a feeling that the proposal presented by the Senator from Idaho [Mr. BORAH] should not pass without some challenge from this side of the Chamber. Owing to the lateness of the hour, I shall proceed but briefly.

I think so long as we have heard from distinguished members of the opposition party, many of whom are prominently mentioned as possible candidates for the Presidency, we should also hear from another of those prominently mentioned for nomination as the Republican candidate for the Presidency. I refer to the Governor of Kansas, Alfred M. Landon, and desire to point out a few of the statements made by the honorable Governor of Kansas prior to the time he was recognized by the newspapers as one of the outstanding candidates for the Republican nomination.

Last November, speaking to the unemployed of the State of Kansas, he said:

I am confident the President and the W. P. A. are doing all in their power to get the people to work.

In a radio broadcast August 4, 1934, Governor Landon of Kansas said:

In working out this plan, the Federal Government will be offering Kansas not only temporary relief, but something of great permanent value.

In a radio address delivered at Topeka, August 4, 1934, Governor Landon said:

Relief authorities are now launching a huge water-conservation program that will be of immeasurable aid to stricken farmers now requiring aid, as well as tremendous value in the future.

Speaking again on July 24, 1934, Governor Landon said:

The Government of the United States is making available refunds and loans to assist us through this emergency.

On May 21, 1934, Governor Landon of Kansas said:

It would be good business in my opinion for Kansas to borrow every dollar it can get under the P. W. A.

May 13, 1934, Governor Landon said:

We will take all the money we can get from the Federal Government.

April 17, 1934, in a letter to President Roosevelt, Governor Landon said:

This civil-works program is one of the soundest, most constructive policies of your administration, and I cannot urge too strongly its continuance.

In an interview with the Associated Press, April 9, 1934, Governor Landon said:

There were no payless days for work-relief applicants.

In a wire to Harry Hopkins July 16, 1933, Governor Landon said:

I earnestly urge that your plans make provision for relief on the basis of not only the physical needs of families, but also of the educational requirements of the next generation.

Speaking in Topeka, March 26, 1933, Governor Landon said:

I also desire to acknowledge in a tangible way the appreciation of the people of my State of the courage with which President Roosevelt has attacked the depression.

So long as we are to have testimony from a possible Republican candidate for the Presidency, I think we should have the testimony of one who, unfortunately, so far as those of us who have a very great respect for the Members

on the other side of the aisle are concerned, the newspapers seem to think is the leading candidate. Until the time of Mr. Hearst's visit to the capital of Kansas, Governor Landon was repeatedly and insistently praising the administration for its relief work.

I have very sincere respect for the intellectual honesty and ability of the Senator from Michigan [Mr. VANDENBERG]. He feels if we can bring the administration of relief back to the States, if we can bring it back so that those in contact with the people are able to administer it, we will get more efficiency, we will get more for our money, and there will be less politics and less possibility of graft. If the Senator from Michigan were correct in that contention, then it would be reasonable that history would have taught us in this country that the most efficient governments, those most directly in touch with the people, would be the city and the county governments. Yet it is a well-recognized fact that we have had more inefficiency, more dishonesty, more graft, more politics connected with our county and city governments, which are right there directly connected with the people, than we have had in our State and National Governments.

Let me read from another gentleman mentioned at times in reference to public affairs, Charles Taft. In a book entitled "City Management", having reference to the "Cincinnati experiment", also quoted in American Commonwealth by James Bryce, it was said:

There is no denying that the government of cities is the one conspicuous failure of the United States. The deficiencies of the National Government tell but little for evil on the welfare of the people. The faults of the State governments are insignificant compared with the extravagance, corruption, and mismanagement which mark the administrations of most of the great cities. For these evils are not confined to one or two cities. * * *

Let me read from a book entitled "American State Government", by John Mabry Matthews, of the University of Illinois:

* * * Graft in county government is just as old-fashioned as county government itself, just as much behind the times, just as lacking in modern refinement. When you enter county politics, you step back into the days of Tweed. If you protest at things you find, you get the same answer, "What are you going to do about it?" and there isn't much you can do.

Let me read briefly from Essentials of American Government, written by Dr. Frederick A. Ogg, of the University of Wisconsin, and Dr. P. Orman Ray, of the University of California, as follows:

"Inefficiency and needlessly expensive methods prevail widely in the transaction of county business in general, and particularly in the handling of county finance and the management of county jails and charitable or welfare institutions. In the more populous counties one often finds an excessive number of employees on the county pay roll owing to spoils considerations. All too frequently there is nothing worthy of the name of county budget; illegal expenditures, made either in disregard or in ignorance of the law, are not at all uncommon. Often there is lacking anything that an ordinary businessman would recognize as an accounting system; and when there is something of the kind it is seldom uniform for all of the county offices. So crude has been county bookkeeping at times that a newly elected county board has been unable to ascertain the bonded indebtedness of the county, the amount of outstanding obligations, and the volume of uncollected taxes, or to secure other essential information. Waste and extravagance often characterize the granting of salaries or other forms of compensation by county boards, the purchase of supplies, and the incurring of indebtedness."

These are the institutions of government which are closest to our people. It has been proved in this country that we have more graft, more corruption, more inefficiency in those governments than in the Federal or the State governments. Therefore the argument which the Senator from Michigan presents—that if we will simply take the administration of relief away from the Federal Government and give it back to the governments which are closer to the people we shall have more efficiency—has no basis and no foundation in the governmental history of our country.

I desire further to present for the RECORD a schedule which I have had prepared in reference to the participation by the various States in the various Federal agencies.

The disparity between the position of one State and that of another must of necessity be based upon one of three

things: Either constitutional limitations within the State, or a feeling of antagonism upon the part of the State administration, or a feeling of antagonism upon the part of the people of the State itself.

I have selected first among these activities the one in which the Senator from Michigan has always been most interested, the Federal Deposit Insurance Corporation. We find that there are five States in this country where State banks participated to the extent of 100 percent. There are two where the State banks participated to the extent of 99 percent. The percentage goes down until in the case of the State of Kansas the participation was 48.7 percent; in New Hampshire, 25 percent; and in Rhode Island, 22.2 percent.

I do not know why the State banks in these three States have refused to participate in this function of the Federal Government, which the Senator from Michigan has repeatedly told us is the outstanding accomplishment of this administration. It does not make very much difference why they have refused to participate, whether it is because of constitutional limitations or a feeling of antagonism upon the part of those in charge of the State governments; but if there is a range from 22 percent, on the one side, to 100 percent, on the other side, in a very desirable activity such as this, what sort of participation are we going to have in these relief activities when we call upon the people of the States to participate and to give their portion of the money?

I have had prepared a chart showing all the States and their participation in P. W. A., W. P. A., relief, State highway funds, old-age pensions, payments for dependent children, and payments for the blind. For example, we find the State of Arizona first on participation in the Federal Deposit Insurance Corporation and forty-third in the amount contributed to P. W. A. We find the State of Utah third on

participation in the Federal Deposit Insurance Corporation, twenty-second in its contribution to P. W. A., and thirty-seventh in its State highway contribution. There is no way in which we can now tell the extent to which States can participate in this program.

When the Senator from Michigan spoke 2 or 3 weeks ago I propounded to him a question. He has certain standards by which Federal funds are to be given to the States, based upon population, the wealth of the States, the needs of the people of the States, and so forth. I propounded this question: "How long would it take us to conduct a survey which would enable us to know how much money the Federal Government should give to each one of the States?"

The Senator was unable to answer the question. I do not blame him for not answering it. The figures are not available. It does not do us any good, however, simply to bewail the fact that the figures are not available. If we should accept the proposal of the Senator from Michigan, I believe it would be a year before we should have the figures necessary in order to carry out his proposal; and I do not think the Senator from Michigan will challenge my statement that it would take from 6 months to a year to make a survey and a census of the country which would enable us to put one dollar to work under the program he proposes. Yet he expects us to attach his program to this bill, and the bill will become effective and the money will be needed at the end of this fiscal year.

Mr. President, I ask unanimous consent to have inserted in the Record at this point the summary which I have had prepared, showing the participation by the various States in the various Federal programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

The summary is as follows:

States	Percent of State banks (not member of Federal Reserve System) insured in Federal Deposit Insurance Dec. 31, 1935		Federal Emergency Relief Administration obligations, 1933-35				Public Works Administration percent of State and local funds through Feb. 29, 1936		Agricultural Extension, percent of local funds through June 30, 1936		State highways 1932, percent of local funds	
	Percent	Rank	Percent	Rank	Percent	Rank	Percent	Rank	Percent	Rank	Percent	Rank
Arizona	100.0	1	2.0	46	12.8	14	15.0	43	30.3	40	49.9	47
District of Columbia	100.0	2	26.7	9	0	42	36.5	29				
Utah	100.0	3	7.7	30	13.4	13	45.4	22	33.3	32	77.3	37
Vermont	100.0	4	42.7	3	.7	35	50.1	17	45.3	15	87.7	21
Wyoming	100.0	5	5.0	36	3.5	27	35.5	31	38.6	21	63.6	45
North Carolina	99.5	6	3.2	42	0	47	31.2	36	30.7	39	85.8	25
South Dakota	99.2	7	10.2	24	0	49	44.7	23	20.3	48	71.1	43
Louisiana	98.3	8	3.1	44	0	45			36.6	25	94.0	7
Montana	98.1	9	9.5	26	1.8	31	13.4	44	49.4	10	50.3	46
Oregon	97.7	10	11.3	20	9.3	19	42.8	24	53.6	8	88.2	20
Virginia	97.6	11	9.7	25	.1	41	33.4	35	38.1	24	86.0	24
Maryland	97.4	12	5.3	35	22.1	6	54.3	6	46.9	12	97.2	1
Illinois	96.3	13	4.5	39	20.1	7	46.6	7	47.7	11	91.7	13
Wisconsin	96.3	14	23.6	12	3.9	26	50.4	15	38.3	23	85.3	29
Tennessee	96.0	15	4.2	40	2.4	28	37.5	27	29.8	41	93.0	10
Florida	94.9	16	4.7	38	0	43	16.7	42	46.6	13	92.5	11
Ohio	94.6	17	7.3	31	15.0	12	46.3	21	32.0	34	85.5	27
Arkansas	94.5	18	2.8	43	.7	33	4.9	47	33.4	31	93.7	9
Mississippi	94.5	19	3.2	41	.6	37	27.9	37	35.8	27	84.7	30
New Mexico	93.3	20	1.2	48	2.3	30	17.6	40	35.9	26	73.0	41
New Jersey	92.6	21	7.9	29	23.7	4	18.8	39	56.2	6	95.6	4
Alabama	92.3	22	4.7	37	.6	36	16.8	41	29.1	42	85.3	28
Delaware	92.3	23	18.9	14	40.6	1	55.1	2	20.4	47	71.4	42
Minnesota	92.3	24	17.4	15	6.2	22	46.7	19	31.9	35	89.1	19
North Dakota	92.0	25	13.5	17	.2	40	35.1	32	32.0	34	65.5	44
California	91.4	26	16.0	16	16.3	10	29.2	25	58.8	3	85.5	26
Missouri	91.2	27	11.8	19	10.9	16	51.3	12	27.2	44	94.7	6
Massachusetts	90.9	28	47.3	1	.3	38	55.0	3	71.2	1	93.9	8
Michigan	90.7	29	11.2	21	15.3	11	20.5	40	40.8	19	84.0	31
Washington	90.7	30	6.2	32	12.1	15	54.3	7	26.3	45	87.6	22
Oklahoma	90.5	31	12.5	18	.7	34	37.3	28	31.0	38	96.4	2
Pennsylvania	89.8	32	5.6	33	23.5	5	50.1	16	40.3	20	94.8	5
Indiana	89.5	33	35.2	5	.2	39	52.3	11	46.0	14	86.5	23
Idaho	88.9	34	10.8	23	5.1	23	34.9	33	43.1	17	78.0	36
New York	88.4	35	29.7	8	17.3	9	34.9	34	69.4	2	89.8	16
Kentucky	86.8	36	8.2	28	5.0	24	22.6	38	31.5	37	89.6	17
West Virginia	86.7	37	2.7	45	8.8	21	13.4	45	35.0	29	96.3	3
Iowa	84.9	38	32.2	7	10.0	17	52.8	9	54.6	7	89.2	18
Texas	79.1	39	1.1	49	20.0	8	36.0	30	38.5	22	83.7	32
Nebraska	79.0	40	23.2	13	0	46	15.4	46	31.8	36	78.1	35
Colorado	78.6	41	11.0	22	4.5	25	54.0	8	32.3	33	74.2	40
Nevada	75.0	42	9.1	27	2.3	29	38.3	26	43.6	18	22.1	48
Georgia	73.6	43	5.3	34	0	44	49.5	18	33.7	30	76.5	38
South Carolina	72.7	44	2.0	47	0	48	74.6	1	27.7	43	91.0	14
Connecticut	69.2	45	46.0	2	9.9	18	54.9	5	56.2	5	81.7	34
Maine	64.0	46	40.4	4	9.0	20	50.5	14	35.0	28	90.8	15
Kansas	48.7	47	26.1	10	.9	32	52.6	10	49.2	9	82.9	33
New Hampshire	25.0	48	25.5	11	29.8	2	51.3	13	57.4	4	92.4	12
Rhode Island	22.2	49	34.4	6	26.2	3	55.0	4	25.2	46	75.1	39
United States	87.6						41.2		41.2		88.3	

Social Security Board aid, March 1936

State	State pays 50 percent				For blind, State pays 33 percent	
	For old age		For dependent children		Number	Average amount
	Number	Average amount	Number	Average amount		
Arizona			0	0	0	0
District of Columbia	0	0	4,217	\$13.57	0	0
Utah	3,537	\$18.82	4,050	11.09	93	\$21.16
Vermont			580	7.91		
Wyoming	1,519	24.28	716	11.38	150	32.98
North Carolina					556	6.02
Maryland	6,707	16.63	14,603	9.47		
Wisconsin	21,100	17.14	17,427	12.31	2,050	20.68
Ohio	84,927	14.98				
Arkansas	11,726	4.40	2,898	2.46	359	4.64
Mississippi	23,549	6.67	2,468	1.96	894	8.02
New Mexico	0	0	0	0	0	0
New Jersey					443	20.97
Alabama	4,390	4.00	12,409	1.95		
Delaware	1,666	10.03				
Minnesota	7,858	15.87	11,705	10.90		
Massachusetts	26,823	23.55				
Michigan	21,464	18.28				
Pennsylvania	12,372	20.57	7,789	9.07	641	29.71
Idaho	5,339	20.68	2,174	9.50	7,706	29.85
New York	58,064	21.58	57,558	17.85	182	25.24
Iowa	26,024	14.42			2,266	14.97
Nebraska	8,377	10.98	0	0	33	5.01
Connecticut	0	0			108	16.07
Maine	0	0	2,885	12.63	1,080	14.22
New Hampshire	2,280	20.08	957	11.67	252	16.08
Rhode Island	1,217	17.67				

Mr. BARKLEY. Mr. President, I ask unanimous consent to insert in the RECORD at this point, in connection with the amendment offered by the Senator from Michigan, a very careful analysis of that amendment, upon which I do not care to take the time to speak.

The PRESIDING OFFICER. Without objection, the analysis will be printed in the RECORD.

The analysis is as follows:

As stated by Senator VANDENBERG, the essence of his entire proposal is to place in State and local hands "the complete power of decision relative to the type of relief and complete responsibility for subsequent administration." The Senator's proposal raises no question of Federal responsibility for the destitute. Furthermore, the Senator's proposal does not seek to change materially the sum appropriated for relief. The main question raised by the amendment is one of administration. The Senator apparently sees no reason to raise the State-rights issue merely because Federal funds are being made available for relief. Curiously enough, his solicitude for States' rights arises only when the Federal Government seeks to control in some measure the disposition of its own funds. The main questions, then, may be stated as follows: Does Federal administrative control over the spending of Federal funds for relief invade States' rights? Does not sound administrative practice require that the public body providing the funds have some measure of control over the disposition of its own funds?

In discussing his proposed amendment to the section of the House appropriation bill dealing with relief, Senator VANDENBERG made the admirable assertion that "States' rights are inevitably matched by State duties." While one may agree with this statement, it is particularly relevant to point out that Federal rights are also inevitably matched by Federal duties. In short, it seems perfectly obvious that when the Federal Government is called upon to provide funds for relief, it has the unquestioned right to set up sufficient safeguards to ensure the proper use of Federal funds. This principle has never been denied and has been an integral part of all Federal grants since the Federal grant-in-aid system was started in 1862.

As stated by Orth and Cushman in their standard treatise on American National Government in connection with grants-in-aid in general from the Federal Government: "By this threatened loss of Federal funds, States were impelled to comply with Federal requirements, and Congress has used this desire continuously in later Federal-aid legislation to enforce Federal standards and control."

An analysis of the proposed amendment by the Senator from Michigan makes clear that he merely proposes to return to the relief system of 1933-35, with this one major difference: Federal funds are to be granted to the States, but, unlike the situation at the time of the Federal Emergency Relief Administration, his plan makes no provision to insure that Federal funds will be spent properly or in accordance with the wishes of the body making the funds available. The proposed amendment, therefore, if adopted, would not blaze new trails. It would merely restore the old system of Federal grants to the States for all types of relief,

without providing the necessary Federal mechanism to carry out the plan properly.

It should be understood that this line of reasoning does not constitute an attack upon the system of Federal-relief grants as administered by the Federal Emergency Relief Administration in the period from May 1933 through December 1935. Created in an emergency, the Federal Emergency Relief Administration met the relief problem honestly, effectively, and adequately. Because local and State credit had been strained to the limit, employables and unemployables were all lumped together and Federal funds, supplemented by State and local funds, were given to all the destitute who needed Government aid. This aid was granted through local relief agencies. The Federal Emergency Relief Administration did not administer relief in the States but merely exerted general supervisory control over State administrations to insure the proper use of Federal funds. Since that time of stress, however, a more logical division of responsibility between the States and their subdivisions and the Federal Government has been worked out. Direct relief has been returned to the care of the States and localities (aided by grants under the social-security program), and the Federal Government has assumed the burden of providing a large work program for employables. There is no reason for abandoning this reasonable division of responsibility for a return to a direct Federal subsidy for all types of relief, with no provision for supervision or control of the Federal funds.

It is true that the proposal of the Senator from Michigan provides for reports to the President from the States on all Federal funds disbursed by the States and including "comprehensive information respecting all phases of relief needs that may be required hereafter in determining future grants in aid." The President is also lightly advised that he is to determine all relief allocations and to give due regard to (1) relative population, (2) relative unemployment, (3) relative living costs, including seasonal and climatic conditions, and (4) relative financial resources. These are sound criteria and were in fact all used by the Federal Emergency Relief Administration in making grants. It may be asked, however, whether the Senator from Michigan has given due consideration to the difficulty of assembling and interpreting the relative financial resources of the 48 States? Furthermore, has the Senator stopped to consider the difficulties inherent in an attempt to analyze the relative living costs (including seasonal and climatic conditions) of the 48 States? Once the President has these factors under control there still remains the problem of determining relative unemployment and correlating these factors with his findings on relative population. Is it not obvious to any thinking student of the problem, however, that these matters cannot be determined by any single individual, even if he were entirely free to devote his entire time and energy to coping with them? These factors alone explain why it was necessary during the period of direct Federal grants for relief to have such an organization as the Federal Emergency Relief Administration in operation.

It may be asked, however, why, if the Federal Emergency Relief Administration met the relief problem adequately, honestly, and effectively, it was nevertheless considered advisable to shift from this system to the one now in operation? The reasons for the change to the present system were clearly set forth in President Roosevelt's message to the joint session of Congress on January 4, 1935. At that time the President explained in the following words his reasons for requesting a Federal-works program and the discontinuance of Federal direct relief.

"The lessons of history, confirmed by the evidence immediately before me, show conclusively that continued dependence upon relief induces a spiritual and moral disintegration fundamentally destructive to the national fiber. To dole out relief in this way is to administer a narcotic, a subtle destroyer of the human spirit. It is inimical to the dictates of sound policy. It is in violation of the traditions of America. Work must be found for able-bodied but destitute workers."

Having thus stated the reasons for substituting employment for direct relief, the President proceeded to classify the cases on relief (November 1934 data) and to differentiate the problems and responsibilities involved. The 5,000,000 cases were divided into two general categories, those cases in whose families there is no employable person and those in whose families one or more members are capable of self-sustaining effort. Of these groups he said:

"About one million and a half of these belong to the group which in the past was dependent upon local welfare efforts. Most of them are unable for one reason or another to maintain themselves independently—for the most part, through no fault of their own. Such people, in the days before the great depression, were cared for by local efforts—by States, by counties, by towns, by cities, by churches, and by private welfare agencies. It is my thought that in the future they must be cared for as they were before. I stand ready through my own personal efforts, and through the public influence of the office that I hold, to help these local agencies to get the means necessary to assume this burden."

"The security legislation which I shall propose to the Congress will, I am confident, be of assistance to local effort in the care of this type of cases. Local responsibility can and will be resumed, for after all, common sense tells us that the wealth necessary for this task existed and still exists in the local community, and the dictates of sound administration require that this responsibility be in the first instance a local one."

"There are, however, an additional 3,500,000 employable people who are on relief. With them the problem is different and the

responsibility is different. This group was the victim of a Nation-wide depression caused by conditions which were not local but national. The Federal Government is the only governmental agency with sufficient power and credit to meet this situation. We have assumed this task and we shall not shrink from it in the future. It is a duty dictated by every intelligent consideration of national policy to ask you to make it possible for the United States to give employment to all of these 3,500,000 employable people now on relief, pending their absorption in a rising tide of private employment."

The President's message to Congress thus emphasized clearly the particular responsibility of the Federal Government and stressed the division of responsibility as between the Federal Government and the State and local governments. The divided responsibility places the burden of direct relief to unemployables upon the States and localities, while upon the Federal Government rests the responsibility for providing, not direct relief, but work to the employable persons on the relief rolls.

Local financial responsibility for the unemployables is premised upon the local character of this aspect of the relief problem. The Federal Emergency Relief Administration encouraged the localities to continue the burden of local responsibility for this group. In every State, public-welfare agencies, either State or local, have traditionally made provision for this group, and it is right that this responsibility should be assumed by them.

On the other hand, the relief problem created by the unemployment crisis is not a local, but rather primarily a national problem. This national responsibility is best met by a work program. The policy of providing useful employment rather than direct relief is predicated on the assumption, clearly borne out by several years of experience with relief, that direct relief is an unsatisfactory means of assisting unemployed persons. This conviction was, in part, responsible for the widespread development of work-relief programs by municipal governments in the early years of the depression. When the Federal Emergency Relief Administration was established in 1933, local work-relief programs were in wide use. Federal funds were made available to the States by the Federal Emergency Relief Administration, and general rules governing work relief were promulgated. However, the early work-relief programs were not satisfactory. Projects were often of questionable social value, earnings were low, and the work was frequently little more than a work test.

Recognition of the shortcomings of this early work relief was partly responsible for the creation of the Civil Works Administration in November 1933. The civil-works program was designed to afford employment at regular wages on socially useful projects and marked a major step in the policy of providing work rather than relief to the unemployed. With the close of this program in March 1934, a new work-relief program, the emergency-work program (the emergency-work program, or the "work program" as it has been widely termed, is to be distinguished from the works program financed by funds appropriated by the Emergency Relief Appropriation Act of 1935. The emergency-work program is work relief with earnings determined by the budgetary deficiency whereas works-programs earnings are not determined by the budgetary deficiency) of the Federal Emergency Relief Administration, was inaugurated. This program represented a vast improvement in organization, types of projects, and conditions of work over the early work-relief efforts.

Recognition of the desirability of providing work to employable persons then on the emergency-work program or receiving direct relief led to the passage of the Emergency Relief Appropriation Act of 1935. In accordance with the provisions of this Act the present works program was instituted and the care of unemployables returned to the States. Senator Vandenberg now asks that this logical system be destroyed and that Congress return to a system of Federal grants for both employables and unemployables, without the previous safeguard for supervision of Federal funds. He asks for Federal funds for unemployables, but denies Federal supervision because they are a local responsibility. He asks for Federal funds for employables, intimates that they too are a local responsibility, and therefore bars Federal supervision. His proposed system, and not the present one in operation, seems to be lacking in logic and sound administrative principles.

The present Congress is in favor of work relief for employables. If it were to provide funds to the States for employables as desired by Senator VANDENBERG it would have no guaranty that employables would not receive a dole rather than work. Is it possible that Senator VANDENBERG has this in mind in making his present proposal? Does he favor a dole for employables?

Senator VANDENBERG complains against the pending House bill on nine broad grounds. Points numbers 1 and 2 are as follows:

(1) It involves degenerating Federal dictation to the States in affairs which both by tradition and logic belong in the intimate jurisdiction of State decision and State responsibility. Abandonment of the latter emasculates the former.

(2) It invites the dangerous and ultimately fatal habit of quitting local self-reliance even as it destroys local autonomy. It progressively encourages the process of central subsidies which have ruined every nation in history that has surrendered to their insidious and paralyzing influence. Thus it destroys morale and creates more problems than it solves.

It is obvious, however, that it is the Senator's amendment, and not the pending House bill, which would tend to cause the evil consequences he mentions. The pending bill recognizes that unemployables are a local responsibility and leaves their control entirely in local hands. It is the Senator's amendment which

calls for a "demoralizing" central subsidy to finance a local responsibility. Further, the pending bill properly recognizes the national responsibility for employables, provides funds for that purpose, and calls for suitable administrative control. How can the Senator justify his position that localities are responsible for unemployment and the destitution arising therefrom? It is the pending bill which places responsibilities where they belong, calls for the responsible agency to meet the responsibility, and follows sound administrative practice in allowing the agency providing the funds to supervise the spending.

Points 3 and 4 in Senator VANDENBERG's attack were gleaned from the House hearings. He attacks administrative costs of the Federal Emergency Relief Administration generally, and the wide variation in administrative costs from State to State. It should be pointed out that these administrative costs were State costs and in no sense attributable to Federal bureaucracy. In any event, no matter which agency administers relief, there will be certain administrative costs. Since VANDENBERG studiously avoids mentioning the reasons advanced in the House hearings for administrative costs and variation in costs from State to State, it may be advisable to give again the explanation made before the House committee considering the pending bill.

The term "administrative cost", as used by the Federal Emergency Relief Administration, covered much more than is usually understood by the word "administration", inasmuch as it included not only the salaries of the executive personnel but also the salaries and expenses of all social workers, investigators, clerks, stenographers, and general supervisory personnel having direction of the vast emergency work-relief program carried on in every locality of the country. Also included were the salaries and expenses of persons engaged in supervising the educational, transient, and rural rehabilitation programs as well as the cost of distributing surplus commodities to relief recipients. Necessary travel, equipment, supplies, rent, heat, and printing were also included. Including all these factors, administrative costs of the State and local emergency relief administrations over the 3-year period averaged 10.7 percent of the total obligations incurred.

In no State did the administrative costs fall below 5.4 percent of the total relief expenditures. Sound administrative practices required that the eligibility of each applicant for relief be carefully investigated. Frequent and extensive reinvestigation was required in order to make certain that relief was not being given to persons who were able to support themselves. This phase of the administration of relief was costly. A special report received from all States for the month of October 1934 indicated that 47 percent of administrative personnel and 45 percent of wages and salaries paid during that month were chargeable to persons engaged in receiving applications for relief, establishing eligibility, administering direct relief, and certifying persons for work relief. Since true economy dictated that these tasks be carefully performed, it follows that the real efficiency of State relief administrations cannot be measured by the respective percentages spent for administration. Furthermore, as the relief program was expanded and differentiated to meet the special problems presented by various types of relief clients, administrative costs increased at the time but resulted in a smaller ultimate cost. For example, such activities as rural rehabilitation involved a relatively high cost for administration but were justified by the ultimate savings resulting when needy persons were finally placed in a position where they could support themselves.

It will be noted that the percentages of funds spent for administration varied somewhat from State to State. These variations were due to a combination of many factors—geographical differences, density of populations, the thoroughness and frequency of investigations, the extent of special programs, the standards of relief, etc., in addition to the factor of administrative efficiency. The geographical features of a State naturally affected the number of offices required. Salaries, an important part of administrative costs, naturally varied with living standards and cost of living in the different parts of the United States. The residence of large numbers of relief clients in a small area tended to lower the percentage of administrative costs by enabling social workers to investigate and care for more cases. Another factor affecting State figures is the standard of relief in a community. Thus it costs about as much to investigate the financial affairs of a family in the South as in the North, but because of the much smaller amount of relief granted per family in the South administrative costs, expressed as a percentage of total cost, would tend to be higher.

The fifth point of attack on the present system made by VANDENBERG is as follows:

"It wastes vast sums upon experiments which are no part of our immediate problem. Thus, it prodigally speculates in the thinning resources of the Republic at a moment when conservation should be the watchword of the hour."

This argument can be rebutted by pointing out that the Senator's amendment does not propose a reduction in the amount to be appropriated. It should further be rebutted by a statement on numbers employed, value of projects, etc.

Point no. 6 of VANDENBERG follows: "The existing system invites inequities as between the States which are * * * inevitable when an enormous Federal bureaucracy * * * attempts to apply common standards * * * across 3,000 miles of continental empire."

This point is rebutted by the fact that common standards have not been applied by Works Progress Administration when to do so would have been to work injustice. Wage scales were varied to meet varying standards of living throughout the country. The zone system of wages likewise took into account varying living costs in

different sections of the United States. Furthermore, the work projects were not imposed uniformly all over the country. Local officials sponsored projects which were genuinely needed in their respective localities, and innumerable letters from local officials testify to the fact that the project instituted had their full approval.

Point 7, advanced by VANDENBERG, concerns the eradication of politics from the relief situation. There is no reason to suppose that Federal grants to the States, with no provision for Federal check over these funds, would eradicate politics. Every layer of American Government has had to contend with politics, and States, counties, and municipalities have always suffered as much or more than the Federal Government from partisan politics. It is significant that all the charges of misfeasance concerning relief under Federal Emergency Relief Administration related to misconduct on the part of State and local authorities. No charges were ever made of corruption in the Federal Emergency Relief Administration in Washington. It is a valid assumption that more, rather than less, corruption would have resulted had not the Federal Emergency Relief Administration at Washington exerted a restraining hand over local administrations. Occasional instances of misfeasance have been noted in local Works Progress Administration organizations. There is no reason to suppose, however, that these cases have been more numerous than might be expected in any undertaking of the size of the Works Progress Administration. Indeed, it is a reasonable assumption that more serious complications would result if complete and unsupervised control over work relief were turned over to localities.

Point 8 of Senator VANDENBERG follows:

"The existing system is inadequate to meet the complete relief necessity, because it acknowledges a Federal interest solely in employables who are transferred from relief to work relief, entirely abandoning to doubtful local resources the care of employables who have not been on relief, plus all unemployables. Thus it produces class favorites among the hungry themselves."

This statement completely overlooks the aid to States available under the Social Security Act. This act provides for Federal financial assistance for such unemployable groups as the aged, blind, and mothers with dependent children. The Federal Government, therefore, has not abandoned unemployables to the sole care of States and localities. Unemployables have traditionally been the primary responsibility of localities, however, and now, with improved local finances, it is reasonable to ask them to carry most of this burden.

Point number 9, raised by VANDENBERG, concerns the following question: Why are relief rolls failing to drop as prosperity returns? A number of reasons may be advanced in explanation of this seeming paradox.

1. The fact must be faced that recent technological improvements permit a great increase in production without a corresponding increase in employment. Thus, production and profits have risen but there has been no corresponding increase in employment.

2. Relief employables have had to compete with nonrelief unemployed in obtaining the jobs which have been opening up in private industry. Because the unemployed not on relief usually have better and more recent contacts with industry and are in general better equipped and in better physical condition, they are more likely to gain new jobs than the employables now on relief.

3. In many cases employers have been able to increase production by merely stepping up part-time employees to the status of full-time employees. This naturally has not resulted in a reduction in relief rolls.

These facts rebut the conclusion expressed by VANDENBERG that the present relief system is bad because it has failed to react to increasing business prosperity.

In short, the present relief system places responsibility for relief where it belongs. States and localities are asked to assume their responsibility for unemployables and to meet this responsibility with State and local resources. Federal aid is given through the Social Security Act, but, unlike VANDENBERG's proposal, proper Federal control is provided. The national responsibility for employables, on the other hand, is placed where it belongs, on the Federal Government. Because Federal funds are being used, the Federal Government is given sufficient control to insure the proper use of Federal funds. Localities are not disregarded, however, since they sponsor the projects which are to be put into operation. The practically unanimous approval expressed by local officials most closely affiliated with the Works Progress Administration is ample proof that they do not resent this system and that they recognize the genuine value of the projects being carried on by the Works Progress Administration.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Michigan [Mr. VANDENBERG] in the nature of a substitute for title II, as amended.

Mr. ROBINSON. I call for the yeas and nays on the amendment offered by the Senator from Michigan.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. I understand that, if present, he would vote "nay" on this question. If I were at liberty to vote, I should vote "yea." I withhold my vote.

Mr. BARKLEY. I announce the unavoidable absence of my colleague [Mr. LOGAN] on official business. If present, he would vote "nay" on this question.

Mr. McNARY (when his name was called). Again announcing my pair with the senior Senator from Mississippi [Mr. HARRISON], who, if present, would vote "nay." I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. TYDINGS (when his name was called). On this question I have a pair with the senior Senator from Rhode Island [Mr. METCALF], who is unavoidably absent. If he were present, he would vote "yea", and if I were permitted to vote I should vote "nay".

The roll call was concluded.

Mr. BILBO. I have a general pair with the senior Senator from Iowa [Mr. DICKINSON]. Not knowing how he would vote, I transfer that pair to the junior Senator from Alabama [Mr. BANKHEAD] and vote "nay".

Mr. ROBINSON. I announce that the Senator from Texas [Mr. CONNALLY] has a general pair with the Senator from North Dakota [Mr. NYE].

I also announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], the Senator from Mississippi [Mr. HARRISON], the Senator from Nevada [Mr. McCARRAN], and the Senator from South Carolina [Mr. SMITH] are detained on account of illness.

The Senator from Texas [Mr. CONNALLY], the Senator from Illinois [Mr. DIETERICH], the Senator from Ohio [Mr. DONAHEY], the Senator from Oklahoma [Mr. GORE], the Senator from Utah [Mr. KING], the Senator from Illinois [Mr. LEWIS], the Senator from Florida [Mr. LOFTIN], the Senator from West Virginia [Mr. NEELY], the Senator from Nevada [Mr. PITTMAN], and the Senator from Massachusetts [Mr. WALSH] are unavoidably detained from the Senate.

The junior Senator from Nevada [Mr. McCARRAN] is paired with the senior Senator from Nevada [Mr. PITTMAN]. If the Senators from Nevada were present and voting, the junior Senator from Nevada [Mr. McCARRAN] would vote "yea", and the senior Senator from Nevada [Mr. PITTMAN] would vote "nay".

The result was announced—yeas 14, nays 57, as follows:

YEAS—14

Austin	Carey	Hastings	Vandenberg
Barbour	Couzens	Keyes	White
Burke	Gibson	Steinwer	
Capper	Hale	Townsend	

NAYS—57

Adams	Chavez	Lonergan	Reynolds
Bachman	Clark	Long	Robinson
Bailey	Coolidge	McAdoo	Russell
Barkley	Duffy	McGill	Schwellenbach
Benson	Fletcher	McKellar	Sheppard
Bilbo	Frazier	Maloney	Shipstead
Black	George	Minton	Thomas, Okla.
Bone	Gerry	Moore	Thomas, Utah
Borah	Glass	Murphy	Truman
Brown	Guffey	Murray	Van Nuys
Bulkeley	Hatch	Norris	Wagner
Bulow	Hayden	O'Mahoney	Wheeler
Byrd	Holt	Overton	
Byrnes	Johnson	Pope	
Caraway	La Follette	Radcliffe	

NOT VOTING—25

Ashurst	Dieterich	Logan	Pittman
Bankhead	Donahey	McCarran	Smith
Connally	Gore	McNary	Tydings
Copeland	Harrison	Metcalfe	Walsh
Costigan	King	Neely	
Davis	Lewis	Norbeck	
Dickinson	Loftin	Nye	

So Mr. VANDENBERG's amendment, in the nature of a substitute for title II, as amended, was rejected.

Mr. HAYDEN. Mr. President, it may be remembered that I had charge of the bill to repeal certain permanent appropriation acts, among them an appropriation for certain irrigation projects. It was not intended that when the act was passed the repeal of those appropriations as of July 1, 1935, would not make prior appropriations available for obligations incurred prior to that date. I have had submitted to me from the Bureau of the Budget two amendments covering appropriations of that kind, amounting in all to about \$75,000, and I ask for their adoption.

The **PRESIDING OFFICER**. The clerk will state the first amendment proposed by the Senator from Arizona.

The **CHIEF CLERK**. It is proposed, on page 58, after line 25, to insert a new paragraph, as follows.

Construction, operation, and maintenance Indian irrigation systems. The unexpended balances of such appropriations for construction, operation, and maintenance (including power revenues) of irrigation projects on Indian reservations as were repealed by section 4 of the Permanent Appropriation Repeal Act, 1934, are hereby made available for obligations incurred against such appropriations prior to July 1, 1935, and any remaining unobligated balances of such repealed appropriations shall be added to and become a part of the receipts accruing from each project during the fiscal year 1936.

The amendment was agreed to.

Mr. **HATCH**. Mr. President, on behalf of myself and my colleague [Mr. **CHAVEZ**] I desire to offer an amendment, and before offering it I desire to make a brief explanation of it.

At the last session of the Congress a bill authorizing the construction of an all-American dam at the point of diversion, at a point near El Paso, Tex., was passed and signed by the President. No appropriation was made because another bill was needed to complete the project. Only recently a Senate bill has passed the Senate and the House of Representatives, but has not as yet been signed by the President.

I think the appropriation which I shall ask would have been included in the estimate of the Budget Director if the bill had been signed by the President. I know it is approved by the Department of the Interior and the Department of State. It involves really an international matter in connection with waters of the Rio Grande and our sister Republic, Mexico.

I have spoken to the chairman of the subcommittee, and I have requested that the amendment be agreed to and taken to conference in order that he may investigate the situation and ascertain whether or not it is necessary to make the appropriation at this time, as I think it is. I had thought that the money had been made available, but it has not been.

Mr. **COPELAND**. Mr. President, what was the dam mentioned by the Senator?

Mr. **HATCH**. The All-American Dam at the point of diversion at El Paso.

Mr. **COPELAND**. It was not a project included in the flood-control bill just passed?

Mr. **HATCH**. No; it was passed and approved by the Congress at the last session. I offer the amendment which I send to the desk.

The **PRESIDING OFFICER**. The clerk will state the amendment.

The **CHIEF CLERK**. It is proposed to add at the proper place the following:

For the construction, operation, and maintenance of a diversion dam in the Rio Grande at a point near El Paso, Tex., but situate entirely within the United States territory, the sum of \$1,000,000, which was authorized to be appropriated under the act of August 29, 1935.

The amendment was agreed to.

Mr. **HAYDEN**. Mr. President, I offer an amendment, and ask to have a justification for it printed in the CONGRESSIONAL RECORD. It relates to the emergency appropriation to take care of contaminated water supply at the Cherokee, (N. C.), Indian School and the Southern Ute Agency in Colorado. There is a Budget estimate.

The **PRESIDING OFFICER**. The clerk will state the amendment.

The **CHIEF CLERK**. It is proposed, on page 57, before line 17, to insert the following:

Indian agency buildings: For an additional amount for lease, purchase, repair, and improvement of agency buildings, exclusive of hospital buildings, including the purchase of necessary lands and the installation, repair, and improvement of heating, lighting, power, and sewerage and water systems in connection therewith, fiscal year 1937, \$85,000.

The amendment was agreed to.

Mr. **HAYDEN**. I ask to have the justification for the amendment printed in the RECORD.

There being no objection, the justification was ordered to be printed in the RECORD, as follows:

INDIAN AGENCY BUILDINGS

This estimate is to provide funds for two emergency needs (1) at Cherokee, N. C., and (2) at the Consolidated Ute Agency, Ignacio, Colo.

Cherokee, N. C., \$50,000: The water supply at this jurisdiction has been under observation for a considerable period of time and studies have been in progress looking to the solution for improving the present system. In addition to the agency office a combination day and boarding school, accommodating about 400 children, and a hospital of 25-bed capacity, are operated. A small Indian village is immediately adjacent to the agency and school reserve. Something over 600 individuals are dependent upon the water supply here to be developed. A year ago in the spring all employees at Cherokee were inoculated against typhoid. The supply for the school and agency has been contaminated from time to time. The water is so heavily chlorinated that it is unpalatable for drinking or cooking.

On May 1 of this year the superintendent of the agency wrote as follows:

"Right now the matter has come to a head, as the water supply in the village has been condemned by the North Carolina State Board of Health. As I have stated before, the little village has to depend solely on a small spring at the base of the mountain within a few yards of the village proper. The supply, in spite of the abundant rains we have had, is practically exhausted, and, although the spring is cemented and kept from contamination at its outlet, it becomes contaminated from time to time through seepage in the upper mountains where several families live. Last summer it dried up entirely and the shopkeepers and restaurant managers were obliged to carry water from the river and boil it before it was used. I have tried to get the State to delay action in the matter, but it looks as though something will have to be done immediately.

"There is no other water supply available within reasonable distance on the side where the village lies, which is on the opposite side of the river from the school and agency."

The park authorities have given their approval to the tapping of Mingus Creek within the park borders, if funds could be provided for setting up a complete water system for the school, agency, and village. The water in that stream is always abundant and absolutely free from contamination, as there are no homes on the watershed drained by this stream. It would also give an adequate water pressure for fire protection, both at the school and the village.

The estimate of cost for this project is as follows:

26,000 feet 6-inch cast-iron pipe line.....	\$30,000
2,000 feet 4-inch cast-iron pipe line.....	1,700
25 6-inch fittings.....	500
12 6-inch gate valves.....	360
4 6-inch hydrants.....	300
6 4-inch fittings.....	50
2 4-inch hydrants.....	150
2 4-inch gate valves.....	50
Concrete intake.....	1,000
Concrete sediment tanks.....	4,000
1 head-reducing manhole.....	100
Labor.....	11,790

50,000

Unless a specific appropriation is made for this purpose there is little hope of remedying the unsatisfactory situation. The project will not qualify under relief because of the large amount necessary for the purchase of materials.

Consolidated Ute, \$35,000: A similar situation prevails at this jurisdiction. Studies of underground sources of supply have been made in the hope that a system involving only a small outlay could be installed. The studies proved disappointing and it therefore becomes necessary to pipe water a distance of nearly 4 miles. The estimate for this project consists of the following:

20,000 feet 6-inch pipe at 90 cents foot.....	\$18,000
Trenching and backfill averaging 4 feet 6 inches in depth, 7,300 cubic yards, at \$1.50 cubic yard.....	10,950
Sump.....	2,500
Fittings.....	250
Equipment.....	200
Supervision.....	1,600
Contingencies.....	1,500

35,000

The superintendent of the agency, on March 7, stated: "Muddy water again renders chlorination imperative." On April 11 a sample of the water drawn from the system was submitted to the office. This sample maintains a cloudy brown color, notwithstanding efforts made at the agency to carry the supply through a settling basin.

The health of more than 200 school children, and employees and their families, as well as patients in the hospital, require a safe and satisfactory water supply at all times.

The **PRESIDING OFFICER**. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. BARKLEY. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BILBO (when his name was called). I make the same announcement as on the last vote and vote "yea."

Mr. HAYDEN (when Mr. ASHURST's name was called). I announce that my colleague the senior Senator from Arizona [Mr. ASHURST] is absent because of the death of his brother. If present, he would vote "yea."

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. I understand that if present he would vote as I am about to vote. I vote "yea."

Mr. BULKLEY (when Mr. DONAHEY's name was called). My colleague [Mr. DONAHEY] is unavoidably detained from the city. If present, he would vote "nay."

Mr. BARKLEY (when Mr. LOGAN's name was called). I announce the unavoidable absence from the city, of my colleague [Mr. LOGAN]. If present, he would vote "yea."

Mr. McNARY (when his name was called). I have a general pair with the senior Senator from Mississippi [Mr. HARRISON], who is absent. I am advised that if he were present he would vote as I am about to vote on this question. I vote "yea."

Mr. TYDINGS (when his name was called). I have a general pair with the senior Senator from Rhode Island [Mr. METCALF]. I transfer that pair to the senior Senator from Nevada [Mr. PITTMAN], and will vote. I vote "nay." I am advised that if present the Senator from Nevada would vote "yea", and the Senator from Rhode Island would vote "nay."

The roll call was concluded.

Mr. FRAZIER. My colleague [Mr. NYE] is absent from the Senate. If present, he would vote "yea."

Mr. ROBINSON. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Colorado [Mr. COSTIGAN], the Senator from Mississippi [Mr. HARRISON], the Senator from Nevada [Mr. McCARRAN], and the Senator from South Carolina [Mr. SMITH] are detained on account of illness.

The Senator from Texas [Mr. CONNALLY], the Senator from Oklahoma [Mr. GORE], the Senator from Utah [Mr. KING], the Senator from Illinois [Mr. LEWIS], the Senator from West Virginia [Mr. NEELY], the Senator from Nevada [Mr. PITTMAN], and the Senator from Massachusetts [Mr. WALSH] are unavoidably detained.

I am advised that if present and voting the Senator from Alabama [Mr. BANKHEAD], the Senator from Mississippi [Mr. HARRISON], the Senator from Texas [Mr. CONNALLY], the Senator from Illinois [Mr. LEWIS], the Senator from West Virginia [Mr. NEELY], and the Senator from Nevada [Mr. PITTMAN] would vote "yea."

Mr. AUSTIN. I announce the unavoidable absence from the Senate of the Senator from Iowa [Mr. DICKINSON] and the Senator from Rhode Island [Mr. METCALF]. If present, both Senators would vote "nay" on this question.

The result was announced—yeas 62, nays 14, as follows:

YEAS—62

Adams	Chavez	La Follette	Pope
Bachman	Clark	Loftin	Radcliffe
Bailey	Coolidge	Loneragan	Reynolds
Barkley	Davis	Long	Robinson
Benson	Dieterich	McAdoo	Russell
Bilbo	Duffy	McGill	Schwellenbach
Black	Fletcher	McKellar	Sheppard
Bone	Frazier	McNary	Shipstead
Borah	George	Maloney	Thomas, Okla.
Brown	Gerry	Minton	Thomas, Utah
Bulow	Glass	Moore	Truman
Burke	Guffey	Murphy	Van Nuys
Byrnes	Hatch	Murray	Wagner
Capper	Hayden	Norris	Wheeler
Caraway	Holt	O'Mahoney	
Carey	Johnson	Overton	

NAYS—14

Austin	Couzens	Keyes	Vandenberg
Barbour	Gibson	Stelwer	White
Bulkley	Hale	Townsend	
Byrd	Hastings	Tydings	

NOT VOTING—20

Ashurst	Dickinson	Lewis	Norbeck
Bankhead	Donahay	Logan	Nye
Connally	Gore	McCarran	Pittman
Copeland	Harrison	Metcalf	Smith
Costigan	King	Neely	Walsh

So the bill was passed.

Mr. GLASS. Mr. President, I desire to state for the record that I have been consistently opposed to lump-sum appropriations; but I voted for the bill because it was reported from my committee and because there are 500 or 600 other items in the bill, and I am not going to vote against the bill and undertake to explain whether I voted against this, that, or the other item. I am always opposed to lump-sum appropriations.

Mr. CLARK. Mr. President, I should like to say, in explanation of my vote on this bill, that I agree 100 percent with the Senator from Virginia [Mr. GLASS] as to the viciousness of the practice of making lump-sum appropriations.

In the form in which this bill came into the Senate it was impossible to vote against it without voting to cut off relief which was absolutely necessary for the people of the country; but I say, in all candor, that it seems to me while possibly at the height of the emergency in 1933 there may have been justification for a lump-sum appropriation, after 3 years it should be possible to make these expenditures on the ordinary budget basis, as all other expenditures of the Government should be made.

I therefore voted for the bill today with great reluctance. So far as I am concerned, I hope it may never again be necessary to vote for a bill which, after all, amounts to the signing of a blank check by Congress.

Mr. ADAMS. Mr. President, I move that the Senate insist upon its amendments, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. ADAMS, Mr. GLASS, Mr. McKELLAR, Mr. HALE, and Mr. KEYES conferees on the part of the Senate.

LOW-COST HOUSING

Mr. WAGNER. Mr. President, I ask unanimous consent to present and have printed in the RECORD a letter containing a resolution transmitted to the junior Senator from Florida [Mr. LOFTIN] by the City Council of Jacksonville, Fla., favoring the enactment of the pending housing bill, and also several other letters or resolutions of the same character. I ask that these papers be appropriately referred.

There being no objection, the letters and resolutions were referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

CITY OF JACKSONVILLE,
Jacksonville, Fla., May 27, 1936.

HON. SCOTT M. LOFTIN,

United States Senator, Washington, D. C.

DEAR SIR: The City Council of the City of Jacksonville, in regular session May 26, 1936, went on record as endorsing the Wagner-Ellebogen United States housing bill, now before Congress, and ordered that you be apprised of this action.

Yours very truly,

W. C. ALMAND, Recorder.

NEW YORK TYPOGRAPHICAL UNION, No. 6,

May 28, 1936.

HIS EXCELLENCY THE PRESIDENT OF THE UNITED STATES,
Washington, D. C.

SIR: The executive committee of New York Typographical Union, No. 6, has instructed me to inform you as Chief Executive of the United States of its wholehearted support of the United States housing bill (S. 4424 in the Senate; H. R. 12164 in the House) now pending before the present session of Congress.

The enactment of this bill as written will constitute the necessary first step in the realization of an adequate and permanent housing program. Employment in the building industry will be permanently increased and the living conditions of wage earners

and their families will be improved, a situation Your Excellency has courageously endeavored, through various acts of Congress, to secure in the past.

Knowing your deep interest in legislation looking toward making for better living conditions among the citizens of your country, the executive committee of Typographical Union, No. 6, hereby endorses the housing bill and urges Your Excellency's cooperation in making law the Wagner-Ellebogen bill dealing with a major social problem which, in the past 4 years, has no doubt been closely akin to Your Excellency's earnest endeavors along similar lines.

Respectfully yours,

JAMES A. MCCANN,
Secretary, Executive Committee.

A resolution memorializing the Congress of the United States to enact the United States Housing Act, being S. 4424 by Wagner, and H. R. 12164 by Ellebogen

Whereas the availability of decent sanitary and safe housing for all of the people is now recognized as a proper concern of Government; and

Whereas persons of low income can be housed adequately only by a degree of Government aid; and

Whereas the low-income group is of necessity occupying cast-off housing in what are known as our slum and blighted areas; and

Whereas the continued maintenance of our slums is socially undesirable and an economic waste; and

Whereas the city of Schenectady has embarked upon a low-cost housing and slum clearance program with the aid of the housing division of the Emergency Administration of Public Works; and

Whereas no funds are available to carry on this work without additional appropriations; and

Whereas it is desirable to preserve the benefits of the emergency housing experiences by providing for a permanent housing agency in the Federal Government; and

Whereas the building trades are still in need of stimulation in order to bring back a greater degree of employment: Now be it

Resolved by the Council of the City of Schenectady:

SECTION 1. That the United States Senate be, and it is hereby, requested to enact at the earliest date possible the United States Housing Act of 1936, being Senate bill no. 4424 introduced by Senator ROBERT F. WAGNER, and that the House of Representatives enact the identical measure introduced in said House by Congressman HENRY ELLEBOGEN, of Pennsylvania, and being H. R. 12164.

SEC. 2. That a copy of this resolution be sent to the President and to the Vice President of the United States, the Speaker of the House of Representatives and to Senators ROBERT F. WAGNER and ROYAL S. COPELAND, and the following Representatives: Hon FRANK W. CROWTHER, Hon. BERTRAND SNELL, Hon. JAMES W. WADSWORTH, Hon. PARKER CORNING and Hon. HAMILTON FISH.

SEC. 3. This resolution shall take effect immediately.

THE YOUNG DEMOCRATIC CLUB OF JACKSON COUNTY,
Jackson, Mich., May 27, 1936.

Senator WAGNER,

The Capitol, Washington, D. C.

DEAR MR. WAGNER: The following resolution was adopted by the Young Democratic Club of Jackson County on May 25, 1936:

"Resolution endorsing the Wagner-Ellebogen housing bill

"Whereas the bad, obsolete, and inadequate dwellings in which the majority of workers in Jackson, Mich., are forced to live constitute a mockery of this country's vast resources of land, labor, materials, and technical skill; and

"Whereas an absolute shortage of all kinds of dwellings is rapidly approaching, both here and throughout the country, and is forcing rents to exploitive heights and forcing families to 'double up'; and

"Whereas continued severe unemployment in the building industry is inexcusable in view of the great and urgent need for new dwellings; and

"Whereas ordinary private enterprise is not able, and never has been able, to meet the housing needs of average American workers; and

"Whereas only a long-term program of Federal aid, combined with local initiative, will meet this situation adequately; and

"Whereas labor has a double interest in the construction of low-rent dwellings, as the representative both of the unemployed building and material workers and of low-income families in need of better housing; and

"Whereas labor's housing program is substantially embodied in the Wagner-Ellebogen housing bill; and

"Whereas this administration must keep its oft-repeated promises to the American people to improve housing conditions and increase employment in the building trades, which promises can be fulfilled only by the immediate enactment of the Wagner-Ellebogen housing bill, preferably with larger appropriations and bond issues; and

"Whereas the provision of low-rent housing on a nonprofit basis should be a great nonpartisan movement, and this bill should be supported by all Republicans and Democrats alike who truly represents the interests of the people; be it therefore

Resolved, That the Young Democratic Club of Jackson hereby actively endorses and supports the Wagner-Ellebogen housing bill and urges both the President and every Member of Congress to do likewise, and to make this bill into law at this session; and be it further

"Resolved, That copies of this resolution be sent to the President and to the Senators and Representatives in Congress of this State."

In closing, we are thanking you for your kind consideration of this bill and commending your action in introducing this important legislation. We assure you that you shall have our support in securing its passage.

JACKSON COUNTY YOUNG DEMOCRATIC CLUB,
DEXTER BABCOCK,
Resolutions Committee.

ESTABLISHMENT OF VETERANS' CEMETERY IN RICHMOND COUNTY,
N. Y.

Mr. WAGNER also presented resolutions of the Richmond County organization of the American Legion, Department of New York, which were referred to the Committee on Public Lands and Surveys and ordered to be printed in the RECORD, as follows:

Whereas available plots in the National Cemetery located in the city of New York are about exhausted; and

Whereas the Government has voted an appropriation of \$250,000 for the immediate purchase of additional cemetery grounds in the vicinity of New York City; and

Whereas the location of this new cemetery is of vital importance to every veteran in and near the city of New York: Now, therefore, be it

Resolved, That the Richmond County organization of the American Legion, Department of New York, in meeting duly assembled this 15th day of May 1936, go on record as follows:

Resolved, That we favor the establishment of a new veterans' cemetery within New York, and particularly within the county of Richmond, where a suitable cemetery site is available; that a cemetery so located will be readily accessible to all boroughs of the city and also to adjoining Jersey territory, including Newark, Bayonne, Jersey City, Elizabeth, and Perth Amboy;

Resolved, That a cemetery so located is of vital importance to the veterans, in that, its accessibility permits of inexpensive funerals and convenient family visits, and likewise renders the cemetery easily accessible to the many thousands of veterans for military observances and honors; and

Resolved, That this affords the United States Government an opportunity to establish a cemetery similar to Arlington in this, the greatest city of our country, which will not only honor the city itself but serve as a befitting memorial to the veterans of New York and vicinity; surely this is their just due; and

Resolved, That copies of these resolutions be transmitted to the county commanders of the first and second districts with a request that they adopt similar resolutions.

ADDITIONAL BILL INTRODUCED

Mr. SHEPPARD introduced a bill (S. 4734) to provide for hurricane patrol in the Gulf of Mexico and environs during the hurricane season, which was read twice by its title and referred to the Committee on Commerce.

SENATOR THOMAS P. GORE

Mrs. LONG. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by Mrs. Atwood Risner at Durant, Okla., May 19, 1936, introducing the Senator from Oklahoma [Mr. GORE]; a letter from Mrs. J. Hale Edwards, of Lawton, Okla., addressed to Senator GORE; an article by Mrs. Walter Ferguson, entitled "A Woman's Viewpoint: Patriotism and War", referring to Senator GORE and others; and an address delivered by Senator GORE at Durant, Okla., May 19, 1936.

There being no objection, the addresses, letter, and article were ordered to be printed in the RECORD, as follows:

SPEECH OF MRS. ATWOOD RISNER INTRODUCING SENATOR T. P. GORE AT
DURANT, OKLA., MAY 19, 1936

Mr. Chairman and friends of Bryan County, I appreciate being invited here to speak to you today and pay tribute to a worthy public servant.

I have never enjoyed a personal acquaintance with Senator GORE, but I have enjoyed, and do now appreciate, the service he has rendered to the State of Oklahoma and the Nation. I remember with what anxiety we watched the returns in that memorable election when for a week the result seemed to hang in the balance, and finally the news came that California had gone over to Wilson and we had elected that great man to the Presidency of the United States. I remembered then, and I remember now, that credit was given Senator GORE for the efforts he made in California to carry that State for President Wilson.

I also remember when Senator GORE in the United States Senate stood for that which is near and dear to every mother's and father's heart—the life of their boys. He was crucified on the cross of public opinion. I see now a nation which has adopted the views expressed by Senator GORE at that time. I want to remind you that Senator GORE has not changed his position, but it has taken 20 years for the people of the United States to fully realize

and appreciate the correctness of his views at that time. When a little more than a year ago he made the following statement:

"I will never vote to draft American boys and ship them across the seas to fight and bleed and die in anybody's battles but our own. . . . I would not sacrifice the life of one American boy. I would not break the heart of one American mother, to guard the boundaries or to maintain the territory of all the faith-breaking and debt-defaulting nations on this globe"—

we knew that he meant it. He faced the fire without flinching.

A great many of you remember that boy who was like a son to me, and who was raised in my home, the last from Bryan County to give up his life on the bloody fields of France. Had this Nation seen with the clear vision that Senator GORE saw with, that boy and thousands of others need not have made that sacrifice.

I am going to cast my vote and use my influence to, in part, repay this servant for duty well performed and in order that we may receive the benefit of his ability in the future.

LAWTON, OKLA., May 17, 1936.

HON. THOMAS P. GORE,

United States Senator, Oklahoma City, Okla.

MY DEAR SENATOR GORE: Enclosed is a poem which expresses my sentiments about sending our sons to war even better than I can. My three sons, all of vulnerable age, mean more to me than all other issues now before our people.

I have just heard over the radio that the Governor of this State has said that no man should offer himself as a guard at the penitentiary unless he is willing to sacrifice his life to keep the criminals inside the penitentiary, thus protecting the lives of innocent citizens.

This is well taken, of course, but to me it is much more important that no man should offer himself as a candidate for Congress unless he is willing to sacrifice his seat to keep our sons inside this country and out of war, thus protecting the lives of not a few innocent citizens but of thousands, which always include the choicest of American manhood.

Mothers are by nature conservatists as well as humanitarians. We feel and know that our Government should preserve and encourage the finest and the best of our citizens if it is to endure.

This applies not only to peace and war but to our economic problems as well. The interests of the great middle class must be protected. To apply these principles requires sane and courageous judgment. It is that quality that is most admirable in you—particularly your consistency in always opposing war.

With best wishes, I am,

Sincerely yours,

Mrs. J. HALE EDWARDS.

[From the Oklahoma News of Apr. 17, 1936]

A WOMAN'S VIEWPOINT—PATRIOTISM AND WAR

By Mrs. Walter Ferguson

At last we give honor where honor is due. For the first time in our history, statesmen who opposed war have been crowned with laurel wreaths. Four of them still serve us in Washington—NORRIS, of Nebraska; LUNDEEN and KNUTSON, of Minnesota; and GORE, of Oklahoma.

In 1917 these men knew what it was to be called slackers and Reds. They were charged with traitorous conduct. Those whose memory runs back to the hysterical days can recall the vituperations hurled at them when thousands of pigmy patriots were for hanging them in effigy.

Now, 19 years later, we pay them a belated tribute. Our weakness bows at last to their strength, and our folly acknowledges their wisdom. For make no mistake about it: The man who keeps his country out of war is the true patriot of the twentieth century.

Now, let's look at the picture etched upon national annals in 1917 when a handful of men and one woman, Jeannette Rankin, voted against our entry into the World War. As time passes, its significance will grow clearer, for several in so doing voted themselves out of Congress.

How many of our present Representatives, I wonder, will show the same courage when the test comes—and it seems to be coming. The United States is getting ready for war in such a sweeping fashion as to frighten the most optimistic. We now have the largest peacetime war budget that any country has or ever has had in the whole history of the world. Read that sentence again. Let it sink into your consciousness, for you are helping to pay the bill.

And what does such a bill mean? It means war. Peace is not preserved in any such belligerent fashion. The throttling fingers of militarism are about our very throats ready to choke democracy to death. Do not be fooled; there is no such thing as a free republic once war is declared. Military rule takes precedence over everything.

Surely the ghosts of the boys who died "to make the world safe for democracy" must walk restlessly by night in this "peace-loving America."

THE PIONEER WOMAN—ADDRESS DELIVERED BY HON. T. P. GORE

We have met this evening to pay the tribute of our respect to the pioneer women of America. Such a meeting with such a mission is more than unusual; it is unprecedented.

It is not unusual for us to meet to commemorate the deeds of the mighty "dead but sceptered sovereigns, whose spirits still rule

us from their sacred urns." But yesterday we were celebrating the birth of Washington and Lincoln—twin stars of the first magnitude in the firmament of American statesmanship. But Washington and Lincoln in their own day could read their glory as well as "their history in a nation's eyes."

I have seen the representatives of all the nations of the earth meet with "the pomp and circumstance of war" at the Tomb of the Unknown Soldier but the Unknown Soldier died in the shock of battle; he fell, as we may say, upon the field of martial glory, "and fame was there to tell who bleeds and honor's eye on daring deeds."

It is not unusual for us to meet and render the tribute of our respect to those who occupy the seats of the mighty—to those who are possessed of power and prestige, to those who have favors to grant or to withhold.

It is easy to say "long live the queen." It is easy to render homage to the 60,000,000 American women of this generation.

They are sceptered sovereigns—vested with the vote, they have the power to lift up and to cast down. It is easy to say now that we want the women to have everything on earth that they want—and more, too, if they want it!

It is unusual to meet to render homage to the inconspicuous—to the nameless dead—to those who left no bloody trophies to perpetuate their renown—who left no visible "Footprints upon the sands of time"—to those who lived only to labor and to love, who lived only to suffer and serve and then to pass on, not, indeed, unwept, but unhonored and unsung.

The purpose of this meeting is to do honor—not so much to do honor as to do justice to the pioneer woman of America. The memory of her whom fame forgot shall live like "a soul imprisoned in stone", shall live while the sculptured marble lasts. Her memory like her merits shall now take its appointed place among the "timeless things."

In order to appreciate any subject you must take into account and understand the background. The prototype of the pioneer woman of America is to be found in the pioneer race itself. We must appreciate the important part she played during the long ages, during the long states of savagery and barbarism en route to civilization.

Our modern civilization, with all its splendor, with all its diversified arts and industries, began with the principle and was built upon the principle of "the division of labor." The first division of labor was founded upon sex; it began, the scientists say, with the discovery and use of fire. The women tended the fire while the men forayed, foraged, and fought.

The primitive woman was the pioneer inventor; she invented all the arts of peace. The pioneer woman was the first weaver and invented the primitive spindle and loom; she was the first tanner and invented her rude appliances; she was the first potter and advanced that art a long way toward its present perfection.

The primitive woman, to use the language of those who write of primitive culture, was the first "beast of burden"; she held that post for ages before the domestication of the horse and the camel. The invidious say that woman herself domesticated the cat; but, if so, she did so to guard the granaries she had built.

For ages woman's back bore the burdens of the race; she was the first packhorse, the first freight, the first passenger, the first accommodation train. The papoose frame was the first passenger car, the first palace coach invented by primitive woman, and not by Mr. Pullman—to whom letters patent were issued.

Let me repeat here the table of contents of a work entitled "Woman's Share in Primitive Culture"—the food bringer, the weaver, the skin dresser, the potter, the beast of burden, the Jack-at-all-trades, the artist, the linguist, the founder of society, and the patron of religion.

Did you ever reflect that the mother's love for her offspring is the beginning of all morality? It is the source and origin of ethics, it was widened to include the tribe, it was widened to include the race. Without this consecrated instinct, without this spark of divinity in the mother's breast, the race could not have endured. If I may change the metaphor, it is the taproot out of which has grown and flowered and fruited our civilization itself. It is the selfsame sentiment which inspired the dying words of Miss Edith Cavell when she said—with the light of another world breaking in her face—"patriotism is not enough."

We have heard a great deal about the rights of man—but very little about the rights of women; but of the long and tragic struggle on the part of woman, not for equal rights but for human rights, I shall not speak. It is easy now for chivalry to indulge in fine rhetoric about the uncrowned queen, but from the condition of slavery, from the status of property, woman has trod along the thorny and weary way.

When Columbus discovered America, when he lifted these two continents from out the sea, when he created the Western Hemisphere and rounded out the globe, when he raised the curtain and exhibited the new world unto the old as the theater where the great drama of the future was to be enacted, this discovery was followed up by two distinct types of civilization.

The Spaniard came, clad in a coat of mail—booted and spurred; he waded through slaughter in quest of gold; he burned the Incas in his rage for gold; someone has said that he fell first upon his knees and then upon the aborigines. He did not bring his mother, his sister, or his wife to the New World; he murdered the men and married the women of the wilderness, or, rather, he mated with them. Out of this union came the civilization of Latin America with its distinctive characteristics.

When our fathers came they came in search of liberty and not of gold; they brought with them the institution of the family and the home. They brought with them their helpmates, their wives, their sweethearts. Out of their union grew up the civilization of the Colonies, and out of that has grown the civilization of the United States of America. The distinctive character, the distinguishing characteristics of this civilization, are to be sought in the character and the influence of the pioneer women of America.

Of course, we have heard a good deal about the bonnie brides who were brought over and bartered for tobacco, and I suppose it is in retribution for this that her daughters of the present day have made conquest of the cigarette.

We have heard a great deal, both from history and tradition, about Capt. John Smith and Nathaniel Bacon down in Virginia, about the Wesleys and Oglethorpes of Georgia, about the Calverts and Carrolls of Maryland, about the Penns of Pennsylvania, about the Stiversons and Schuylers of New York. We have heard a great deal, a very great deal, about the Pilgrim Fathers in re the *Mayflower*. We have heard very little about the Pilgrim Mothers, but if truth be told, notwithstanding the silence of historians, they have no alibi.

We hear very little about Mary Chilton, although she was the first to step forth from the *Mayflower* and set foot upon the historic rock at Plymouth.

We hear a great deal about the Boones and the Crocketts and the Carsons far out upon the far-flung border; we hear very little about the widow Sutton, who slew a dozen of her savage captors while they slept and made good her escape.

We hear a great deal in story and in song about the midnight ride of Paul Revere, but we hear very little about the midnight ride of Mrs. Lydia Darrah. She overheard the British officers when they were planning a surprise attack upon Washington and Valley Forge. She obtained a passport through the British lines under the pretense of getting an order of meal. She walked 5 miles during the night to notify Washington of the threatened attack. She walked back after her patriotic mission was accomplished. When the British marched out in pursuance of the plan to attack Washington they found him prepared for this "surprise attack."

The people of Oklahoma are the last pioneers. They assembled in that section from every other State in the Union—I might almost say from every quarter of the globe. There they encountered the hardships of the border. They conquered the obstacles of the frontier. Brave men and brave women underwent all the privations of a new country, inspired by the sacred desire to acquire a home. They developed there the virtues of the pioneer—fortitude, self-denial, self-reliance, self-respect—virtues which have made this country great in the past, virtues which alone can keep us great in the future.

In our country the pioneers lived in sod houses. They lived in dugouts. That country was settled by brave men, by men who dallied with danger as the she tiger fondles her young. They made Oklahoma in their own image. They asked only a chance. Give them a chance and they will rebuild their fallen fortunes. Give them a chance and they will conquer their own destiny. That is my faith. That is my hope.

THE NEW DEAL AND ITS CRITICS—ADDRESS BY HON. JAMES A. FARLEY

Mr. DUFFY. Mr. President, I ask unanimous consent to have printed in the RECORD an address by Hon. James A. Farley, chairman of the Democratic National Committee, at the Democratic State convention, Grand Rapids, Mich., May 20, 1936.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Some of my Republican friends tell me Michigan is a doubtful State. In 1932 they did not admit that much. Right up to election day they claimed this Commonwealth as doomed and destined to be in the Hoover column. You know and I know what happened then. The people of this State marched up to the polls and registered their faith in Franklin D. Roosevelt. When the votes were counted the Democratic candidate had a majority of more than 130,000.

I am not so blind a partisan as to insist that all who voted in this State 4 years ago were enrolled in my party. No; here, as elsewhere, Republicans and Independents and Progressives, who had only the slightest tie with either of the great parties, joined forces—not because our candidate was a Democrat, but because they saw in him the only hope there was to get away from a regime that had demonstrated its utter incompetence to deal with the terrific problems incident to a depression.

The opposition party had been in power for 12 years, during nearly all of which time they had not only the Chief Executive but both Houses of Congress. They could have put through any sort of legislation they wished. They could have done all the things that Franklin D. Roosevelt has done if their President had the courage, the desire for service to the general public, and the ability to perceive what was bound to come.

I think you must agree with me when I say that it would have been a very much easier job to have prevented the Hoover panic than it was to check it and turn the tide after that great disaster was upon us in full force.

Take a single simple instance: Does anybody believe that if the former President had grappled with the banking situation as firmly and as intelligently as the present President did, the economic disaster would have been as acute as it was? The stock market crash that inaugurated the panic was in the fall of 1929. That shook the banks. Tempted by the opportunities, hundreds of banks had rushed their depositors' money to Wall Street, to be loaned to brokers carrying stocks on margin. It should not have taken two and a half years to learn that many of the banks were in a desperate state. As a matter of fact it did not. Failure after failure heralded the gruesome intelligence. They toppled and fell at the rate of 30 to 40 a week. At the end of June 1932, one huge institution, presided over by an ex-president of the Reconstruction Finance Corporation, sent its midnight demand to Washington for a \$90,000,000 loan.

I remember the date because the Democratic national convention was then in progress and the streets of Chicago were blocked by the multitude that was making the run on that and other banks. We are still trying to collect that loan, incidentally.

There was nothing to prevent President Hoover from taking the steps that President Roosevelt took on the very day of his inauguration.

But, reasoned the administration then in power, including Secretary of the Treasury Ogden Mills, to shut up the banks, while the good were separated from the bad, would have precipitated the panic. Suppose that to be true? Letting bankrupt banks remain open only deferred the inevitable day, and practically every 24 hours saw one or more of the depositories folding up, and taking to destruction business firms and individuals whose funds were in their keeping.

Would it not have been infinitely better to have faced the situation at any time during these 2½ years, with courage, resolution, and care for the interests of the depositors, than to have permitted things to drift while some of our great financiers, themselves perfectly cognizant of what was bound to happen, looked out for themselves while the people who trusted them were ruined?

So far from precipitating disaster, the bank holiday checked the panic, and restored confidence, because the people saw that there was an administration in power that had their interests in mind. The bank holiday was the first step upward that this country had seen in 2½ distressing years.

And what have we now? Ex-President Hoover tells us in his speeches that he had the depression stopped at the very period of the Chicago banking incident to which I have referred. Ex-Secretary of the Treasury Ogden Mills, with his own particular air of authority, warns the country that unless we go back to the system and the political control that marked the period of hideous economic failure, that chaos is just around the corner—the same corner, I presume, we heard so much about 4 or 5 years ago—the corner around which prosperity coyly lurked, according to this same regime.

Michigan a doubtful State! I can tell you one thing, at least, about which it has no doubts, and that is the difference between things as they are and things as they were under the previous administration.

Nor do I question where Michigan stands this year on the great political issue. That issue is just what it was 4 years ago. Shall you have a government in Washington that has demonstrated its ability and willingness to face every situation calmly and with the single purpose in mind of making and keeping this country one in which the ordinary average man and woman can live comfortably and make his or her own way according to the abilities of the individual, or shall we go back to the system that meant great fortunes for those who had the Government's favor and penury for the great mass of our population?

You are being asked to believe—in this progressive section of the country, at least—that the Republican Party is purging itself of the old predatory spirit and that it means hereafter under new leaders to go forward in the path of advancement and care for the plain people.

Do you believe that fairy story?

You know how the Republican Party is being financed during the present campaign. Does it seem likely to you—a hard-headed practical people—that the Du Pont Liberty League, that collection of multimillionaires, and their satellite lawyers and paid propagandists, is going to back any program that would run counter to their own interests, habits, and special privileges?

This group that has turned every emergency that had to be faced by our country into an opportunity to pile up enormous fortunes is paying the bills of any and practically every real or pretended organization that announces it is against President Roosevelt. They do not even inquire what some of the fly-by-night outfits are based on. This was evidenced the other day, when President Sloan, of the General Motors Corporation—in which the Du Ponts have the largest holdings—had to explain how his name came to appear among the contributors to the sentinels of something or other, which had for its cardinal principle the incitement of religious prejudice against a large element of our population. He said he had not known that this was an anti-Jewish vehicle and promised not to give it any more money. He chipped in there simply because the sentinels said they were anti-Roosevelt. The other conspicuous figures of the League, whose names turned up on the lists of this and other propaganda rackets that were too raw to be fattered by the regular Republican organization, probably took no more pains to investigate

the class and caliber of the beneficiaries of their subscriptions than did Mr. Sloan.

You know how great and how sincere would be the support that a real opponent of the principle of the greatest good for the richest combinations would get from that group. What could he expect from that element of our population which in turn fought against the enactment of the antitrust laws, the income tax, the Federal Reserve banks, and every other enactment having for its purpose the curbing of exploitation and monopoly?

We do not yet know just what Republican figure will be put up to oppose Franklin D. Roosevelt next November. From present indications it appears probable it will be a gentleman of whom none of you had even heard a little more than a year ago.

Talk about reckless experiments in Government, which is one of our critics' favorite charges against the administration! Could there be a more perilous experiment than putting the complex and highly delicate control of our Government into the hands of a man destitute of experience and devoid of practice in national, still less in international, matters?

You knew Roosevelt. He had been in public life from early manhood as a member of the New York Legislature. He had been part of the Woodrow Wilson administration. He had twice been an eminently successful Governor of the most populous State in the Union. Responsibility was nothing new to him. The problems of administration he had encountered in almost every form.

What do you know about the individual who now appears as the most probable candidate of the minority party?

True, he is being exalted by the antiadministration press. If we accept this version, we have been entertaining in obscurity a genius in government; another Lincoln, with dashes of Coolidge in his composition. I think all of us who have any familiarity with politics are cognizant of the process of building up the commonplace into the remarkable. This gentleman may be all his boosters present him as being, but he is nearly 50 years old, and it would be something new if he possessed all the magnificent qualities of administration, all the knowledge of public questions, all the noble attributes with which his champions endow him, without his fame getting beyond the borders of his own State. I believe he made a moderate fortune in the oil business, though his biographers say he was educated as a lawyer, but success in oil is not generally regarded as particularly fitting a man for the Presidency.

I am not, of course, in possession of exact knowledge of why the Republican Party chooses to put him on a pedestal, but if I were permitted to guess, I would be inclined to believe it was because he was elected Governor of a typical prairie State, that has usually been Republican, and that the Du Pont Liberty League crowd is less afraid of him than it is of more widely known, and more experienced statesmen who have been mentioned in connection with the Republican nomination.

It is assuming that he is to be the candidate against Mr. Roosevelt that impels me to smile at the thought of Michigan as a doubtful State. I do not think that even Kansas is a doubtful State if the competition is to be as I have surmised.

The real question to be decided next November is simply if the Roosevelt administration has given the majority of the people of this country a better chance for the good things of life than they had when it came into power. Whether the President has been reasonably successful in meeting the stupendous problems that confronted him. I do not mean that he has foreseen everything, or that he may not have made some mistakes. What I do mean is that he tackled his job courageously, sincerely, and industriously, and because of him the country is in a vastly better condition than it was.

I have no time to deal with such absurdities as that he has assumed despotic power or sought to be a dictator; that he is bent on making this a Socialist or Communist or Fascist government; that he seeks to take the profit motive out of business. These things are merely campaign tommyrot. Perhaps the greatest success he has made is in improving business. Indeed one of the criticisms of his enemies is that, while restoring the ledger balances of business to the black after they had been so long in the red, he has failed to completely wipe out unemployment and do away with the relief rolls. In other words, they would imply that he has been more tender and helpful to business than to the mass of the people. That, of course, is as ridiculous as the other.

Let me support what I say by quoting from one of your own town newspapers. The Grand Rapids Herald does not like us any more, but 3 years ago, before the virus of a political campaign got to working, it had this to say editorially:

"Complaint is made that the Democrats propose to make Roosevelt a dictator but we refuse to be alarmed. Congress had its chance and failed. A dictator whose powers are absolutely only in the field of economy can do no harm and may do much good."

This was just before Mr. Roosevelt took office. This same paper at that time bristled with head-lines such as "Live Stock Values Reach Low Mark", and "Business in Arms for Bank Relief" and similar expressions of dismay at the economic condition of the country.

Let us jump a year in the pages of this same newspaper—to March 6, 1934 to be exact—and we read an editorial:

"One year ago the country was suffering an acute attack of nerves. Today confidence has been, in a large measure, restored. * * * Looking back the President has reason for pride. He has steadied the nerves of the country and has imparted to its people some part of the confidence which seems never to desert him."

Of course, this was 2 years before a campaign year. This newspaper's editorials do not sound that way now, even though the paper itself shows the return of prosperity. When the first editorial quoted was printed the Herald was running a meager 10 pages ordinarily and 30 pages on Sunday. Today, thanks to plenty of advertising, it runs 14 pages on week days and 50 pages on Sunday. I'm glad it is doing so well, for a paying newspaper means a prosperous community.

This paper no longer cheers the President editorially but it is unable to get away from the effect of what the President has accomplished on its business pages. Likewise the Grand Rapids Press headlined at the beginning of this year: "New era for furniture." Editorially it said early this year (1936): "Prospects for increased business in the furniture industry have been bright for months. * * * Employment prospects at the factories are the brightest since the outset of the depression."

Throughout the State your newspapers tell the same story. From the Lansing Journal we learn that "State bank deposits gain \$105,000,000 in past year."

The Detroit News tells us "business expansion indicated by figures."

The Flint Journal tells us "Buick sales best in years."

The Detroit Free Press publishes that "power sales, auto output, and employment figures register good increases."

And incidentally the good people of Michigan were able to buy 203,000 new automobiles in 1935 whereas they bought only 66,000 in 1932.

I was very happy to read in the newspapers this morning the announcement that my very good friend, Walter P. Chrysler, a great American and a great industrialist, had made the announcement of an increase of from five to six million dollars in the yearly wages of all his employees. This is just another evidence of increasing prosperity brought about through the efforts of President Roosevelt's administration. It is my belief that this is the forerunner of other announcements of a like character in many fields of business activity.

What do you suppose brought all this about? According to the income-tax figures your people paid \$40,000,000 more this year than in 1933. That translated means that their incomes are up about \$800,000,000.

Your farmers' incomes are up about \$20,000,000. Your pay rolls show nearly twice as many people at work in Michigan as there were in 1933. How did it all happen?

Did the circumstance that the Government sent about \$957,000,000 into this State have anything to do with starting business to going again? Not that this much was dispensed in Federal charity. Seven hundred millions came to you as loans, insured by the security of your properties. Incidentally, 30,000 or 40,000 farms were saved from mortgage foreclosure; and twice as many homes. That money will all come back to the Treasury, a fact worth keeping in mind when you read those alarmist stories about the vastness of the national debt and the Treasury deficit.

Was the expenditure of forty-odd millions of dollars in the C. C. C. camps, without its effect on bringing Michigan back in the direction of prosperity? Did the keeping of thousands of your boys out of the ranks of the workless by putting them to cleaning up your woods, decreasing the forest-fire peril, guarding your rivers from floods, and preserving your farms from having the soil washed away, play any part in helping this great State? Or were these things mere boondoggling, waste of public funds, and wanton extravagance?

You know the answers to these questions. You know that no modern President has done a big job more bravely, efficiently, and honestly, than Franklin D. Roosevelt has performed the stupendous task to which you set him.

You know that the job is by no means finished, and that if prosperity is to be made stable and anywhere near complete, he is the man to do it, and there must be no interruption to the great work.

Michigan a doubtful State? Well, I guess not!

FEDERAL HOUSING ADMINISTRATION—STATEMENT BY STEWART M'DONALD

Mr. CLARK. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by Stewart McDonald, Administrator, on the achievements of the Federal Housing Administration.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The Federal Housing Administration launched the Modernization Credit Insurance Plan, a temporary recovery measure, in August 1934. The Mutual Mortgage Insurance Plan, a permanent measure, was placed in active operation during the spring of 1935, when the States had paved the way with necessary amendments to their laws. Today, within less than 2 years of operation under the National Housing Act, the total business transacted under the two plans, representing more than 1,125,000 individual loans, amounts to \$828,000,000, and during next August should pass the billion mark.

It should be borne in mind that the money advanced under the Federal Housing Administration program is all private capital. The Administration makes no loans—it merely reinforces the tie between the borrower and the lender by providing credit insurance

for loans meeting certain required conditions. Thus far, the confidence of the Government in the willingness and capacity of its citizens to meet such obligations has been fully justified, as the claims for losses under the insurance plans have been very small.

MODERNIZATION CREDIT INSURANCE PLAN

The modernization credit insurance plan gave new heart to the whole recovery movement by unlocking sources of credit in practically every city, town, and county. At the time the National Housing Act was passed less than 1 percent of the banks were either organized or prepared to make personal loans based on character and income of the type necessary to make the act function properly. Now banks that have made insured modernization loans represent over 85 percent of the total banking resources of the country. In all more than 6,000 banks, building-and-loan associations, finance companies, and other institutions have participated actively in making loans under the plan.

More than 8,000 local better-housing committees and other voluntary agencies were stirred into action because of the credit that was made available, and have generated total modernization work estimated at \$1,500,000,000. As a result of these activities millions of our people are now living in improved homes and thousands of wage earners in the durable-goods industries—which were the hardest hit by the depression—have received jobs or have had steadier work and bigger pay checks.

The progress of the modernization credit insurance plan is shown by the following tables:

Volume of modernization notes insured

Month	Monthly		Cumulative	
	Number	Amount	Number	Amount
1934				
August	514	\$251,595	514	\$251,595
September	7,361	3,274,425	7,875	3,526,020
October	20,886	8,834,565	28,761	12,360,585
November	23,961	9,852,992	52,722	22,213,577
December	19,936	8,237,006	72,658	30,450,583
1935				
January	15,310	6,582,094	87,968	37,032,617
February	12,206	5,269,524	100,174	42,302,141
March	18,644	7,814,722	118,818	50,116,863
April	28,254	11,300,416	147,072	61,417,279
May	36,374	14,415,746	183,446	75,833,025
June	41,285	16,154,052	224,731	91,987,077
July	63,418	21,084,565	288,149	113,071,642
August	71,297	24,240,035	359,446	137,311,677
September	87,970	30,403,178	447,416	167,714,855
October	81,251	27,163,130	528,667	194,877,985
November	93,712	31,051,675	622,379	225,929,660
December	86,026	28,141,069	708,405	254,070,729
1936				
January	82,273	26,337,862	790,678	280,408,591
February	55,028	17,521,022	845,706	297,929,613
March	82,673	28,627,748	928,379	326,557,361
April	89,259	39,052,131	1,017,638	365,609,492

¹ Act amended to include notes of over \$2,000.

Volume of modernization notes by States, reported by address of borrower through April 1936

State	All notes	
	Number	Amount
Alabama	8,528	\$2,708,512.15
Arizona	8,863	3,224,162.09
Arkansas	8,424	2,959,814.93
California	180,823	57,665,219.76
Colorado	5,578	2,087,266.14
Connecticut	13,451	5,406,287.03
Delaware	1,914	807,181.22
District of Columbia	5,434	2,718,312.83
Florida	13,780	5,639,956.09
Georgia	11,762	4,528,394.72
Idaho	6,690	1,994,039.41
Illinois	47,467	17,845,512.24
Indiana	26,511	7,705,109.18
Iowa	10,056	3,701,455.33
Kansas	6,545	1,961,150.20
Kentucky	9,654	3,367,901.25
Louisiana	12,304	3,219,157.13
Maine	2,843	1,091,740.17
Maryland	11,405	4,702,379.31
Massachusetts	23,799	12,470,975.74
Michigan	47,608	13,891,344.02
Minnesota	14,337	5,457,343.14
Mississippi	5,597	2,155,325.28
Missouri	30,519	9,253,012.95
Montana	2,525	1,310,969.56
Nebraska	4,340	1,484,162.60
Nevada	1,971	860,473.91
New Hampshire	3,260	1,353,334.21
New Jersey	68,651	24,657,448.38
New Mexico	2,105	1,052,413.05
New York	150,508	69,198,280.15
North Carolina	1,724	2,806,216.02

Volume of modernization notes by States, reported by address of borrower through April 1936—Continued

State	All notes	
	Number	Amount
North Dakota	1,229	\$584,797.87
Ohio	39,211	11,871,045.17
Oklahoma	11,590	3,610,306.11
Oregon	16,273	5,221,789.59
Pennsylvania	56,727	19,131,364.87
Rhode Island	6,593	2,679,875.40
South Carolina	4,370	1,674,747.11
South Dakota	1,696	752,348.41
Tennessee	10,837	4,057,228.23
Texas	33,829	11,108,322.16
Utah	4,802	1,795,952.91
Vermont	1,772	661,006.92
Virginia	11,443	4,800,421.42
Washington	35,727	11,856,540.61
West Virginia	4,183	1,663,161.31
Wisconsin	10,395	4,295,723.33
Wyoming	1,408	718,636.27
Alaska	110	95,021.17
Hawaii	439	241,275.85
Puerto Rico	20	18,980.00
Canal Zone	3	4,067.00
Total	1,017,638	365,609,492.50

MUTUAL MORTGAGE INSURANCE

Mutual mortgage insurance is now firmly tied into the financial fabric of the Nation through the amended laws of 47 States and through the amendments that have been made to the National Banking Act and other Federal laws. Financial institutions are finding that mortgage insurance, through the means which it provides for distributing the burden of losses that may arise from time to time, has substantially broadened the scope of conservative home-mortgage lending, just as fire insurance had already done in times past.

Improved techniques of appraisal and of analyzing mortgage risks have been developed as an inherent part of the mutual mortgage insurance system. These methods are applied by the thoroughly trained professional underwriting staff of the Federal Housing Administration, and provide a primary protection to both borrowers and lenders as well as the Administration itself. The protection afforded lenders and borrowers is thus enhanced beyond the direct benefits provided by the presence of the mutual mortgage insurance fund.

Within less than a year's operation of the plan, home-mortgage credit, which had been frozen almost solid for several years, was made generally available to home owners on the most attractive terms in the history of the Nation.

Formerly home owners, in order to obtain as much as 80 percent of the value, were often obliged to seek junior loans and were thus at the mercy of second-mortgage sharks. Now, however, one insured loan up to 80 percent of the appraised value may be obtained, and for a term up to 20 years, at a lower interest rate than formerly prevailed in many States for highly restricted short-term loans.

Mutual mortgage insurance provides for a free flow of mortgage funds from centers of supply into communities where funds are normally scarce. It has effected a reduction in mortgage financing charges for large sections of the country, due to the uniform interest rate established by the Administration. Thus in several States where home-mortgage interest rates averaged about 8 percent, or even higher, the Administration has insured loans amounting to many millions of dollars at an interest rate of 5 percent, plus one-half of 1 percent service charge and the mortgage-insurance premium.

There can be no dispute as to the need for improvement in the mortgage lending system of the country, nor of the timeliness of the mutual mortgage insurance plan as a response to that need. The shortcomings of the old system need no recital. It financed extensive overselling of houses at inflated values, to borrowers unable to pay for them; further, first-mortgage lenders who apparently operated conservatively, frequently acted as parties to home-financing transactions in which the second mortgages involved exorbitant charges. There were, of course, many institutions that made fully amortized mortgages, usually ranging from 7 to 12 years in duration, and for amounts up to 60 to 75 percent of the appraised value. However, in many areas such amortized mortgages involved substantially as high charges and as onerous terms in other respects as a combination of a first and a second mortgage. A large proportion of mortgages were for relatively short terms and were not amortized; hence the coming of the depression led to wholesale embarrassment on the part of numerous lending institutions, for their could not, or would not, because of shrinking values, renew the old mortgages and borrowers were not in a position to make lump-sum curtailments. Hence, many institutions found home mortgages a frozen asset.

Now, on the other hand, the insured home mortgage is being constantly amortized, it is readily salable, under ordinary conditions, and it is also discountable at Federal home-loan banks, as well as being in part usable as collateral for advances at Federal Reserve banks.

The old system again failed to function properly during the period of deflation when a temporary wave of overcaution resulted in making reasonable credit unobtainable for many prudent prospective home owners whose support would have meant much to the home real-estate market.

The load placed upon the Home Owners' Loan Corporation to take over approximately \$3,000,000,000 worth of home mortgages, representing a million properties, testified to the magnitude of the break-down.

Increases in population and in the number of families, together with the present deficit in housing, are bound to result in a large revival in home-building activity during the next few years. It is of incalculable importance to the Nation that the major mistakes of the past be avoided in financing this program. The mutual mortgage insurance system is exerting a powerful influence in the right direction. It is helping to raise home-building standards, including the proper lay-out and financing of new subdivisions, site planning, intelligent design, adequate standards for materials, and good workmanship throughout. It helps to bring the conservative buyer into the market by giving him adequate credit at reasonable terms. It discourages financing of borrowers who attempt to buy beyond their means, and the exorbitant financing charges that frequently went with such transactions. It encourages each home owner to make a sound purchase within his means.

The progress of the mutual mortgage insurance plan is shown in the following tables of mortgages accepted for insurance each month; i. e., the mortgages which the administration commits itself to insure. In the case of new construction, the actual insurance is not in effect until the building operations are complete, and the home owner begins payment of the insurance premium.

Volume of mortgages accepted for insurance

Month	Monthly		Cumulative	
	Number	Amount	Number	Amount
1935				
January.....	102	\$514,280	102	\$514,280
February.....	435	2,136,480	537	2,650,760
March.....	1,211	5,101,596	1,748	7,752,356
April.....	1,880	7,926,354	3,628	15,678,710
May.....	2,612	11,109,683	6,240	26,788,393
June.....	3,048	12,264,001	9,288	39,052,394
July.....	4,112	16,872,481	13,400	55,924,875
August.....	5,010	20,671,898	18,410	76,596,773
September.....	5,300	21,285,398	23,710	97,882,171
October.....	6,173	26,163,901	30,383	124,046,072
November.....	6,697	24,515,145	36,580	148,561,217
December.....	5,567	22,033,647	42,147	170,594,864
1936				
January.....	5,472	21,531,888	47,619	192,126,752
February.....	4,700	19,182,530	52,319	211,309,282
March.....	5,595	22,026,845	57,914	233,336,127
April.....	7,672	31,243,666	65,586	264,579,793
Total reported through May 23.....			72,862	293,490,861
Balance home mortgages in process.....				36,456,179
Rejections.....				83,825,435
Total home mortgages selected for appraisal.....				413,772,475

Volume of mortgages accepted for insurance through April 1936

State	Total		New construction only	
	Number	Amount	Number	Amount
Alabama.....	1,051	\$3,268,799	279	\$1,059,009
Arizona.....	502	1,626,244	143	614,452
Arkansas.....	1,164	2,873,720	259	856,840
California.....	8,070	34,582,434	2,844	14,024,002
Colorado.....	441	1,335,474	87	354,180
Connecticut.....	570	2,927,970	263	1,400,635
Delaware.....	214	1,055,600	53	270,000
District of Columbia.....	1,133	7,337,790	264	1,985,200
Florida.....	1,092	4,346,837	635	2,764,502
Georgia.....	1,041	3,898,494	382	1,545,994
Idaho.....	352	1,059,890	147	534,000
Illinois.....	2,611	11,404,080	553	3,296,285
Indiana.....	2,059	7,027,341	305	1,505,298
Iowa.....	757	2,526,879	125	559,295
Kansas.....	1,818	4,833,507	372	1,334,670
Kentucky.....	717	3,129,160	148	799,494
Louisiana.....	575	2,255,960	156	639,355
Maine.....	217	661,780	28	124,400
Maryland.....	923	3,568,790	117	652,750
Massachusetts.....	1,062	5,422,918	113	729,360
Michigan.....	2,911	12,613,630	913	5,273,410
Minnesota.....	1,028	3,393,094	246	955,778
Mississippi.....	1,201	3,366,222	454	1,503,858
Missouri.....	2,932	12,611,665	537	2,957,440
Montana.....	158	477,261	30	123,491
Nebraska.....	406	1,344,520	66	294,450
Nevada.....	183	653,905	40	167,175
New Hampshire.....	407	1,449,751	30	124,015
New Jersey.....	4,608	23,524,445	1,657	9,154,834
New Mexico.....	271	895,675	96	384,700

Volume of mortgages accepted for insurance through April 1936—Continued

State	Total		New construction only	
	Number	Amount	Number	Amount
New York.....	3,046	\$14,654,615	1,672	\$8,335,430
North Carolina.....	779	3,006,584	302	1,357,960
North Dakota.....	289	785,705	65	233,450
Ohio.....	4,962	21,261,805	957	5,662,829
Oklahoma.....	918	3,105,477	199	1,019,380
Oregon.....	331	845,525	71	227,750
Pennsylvania.....	4,134	16,810,065	659	3,664,406
Rhode Island.....	312	1,352,680	59	260,630
South Carolina.....	232	855,908	80	320,939
South Dakota.....	315	820,480	56	206,300
Tennessee.....	1,258	4,671,345	225	967,225
Texas.....	2,855	10,313,325	1,157	4,792,898
Utah.....	875	2,698,735	159	579,900
Vermont.....	348	1,189,165	38	189,450
Virginia.....	1,458	5,776,911	452	2,004,380
Washington.....	1,081	3,108,255	278	998,970
West Virginia.....	307	1,283,785	91	482,450
Wisconsin.....	1,010	4,981,931	485	2,646,736
Wyoming.....	492	1,189,397	68	226,112
Alaska.....	39	119,060	6	16,800
Hawaii.....	71	275,235	57	221,215
Total.....	65,586	264,579,793	18,476	90,404,282

The application of the mutual mortgage insurance plan to large-scale housing projects is a most promising phase of the program, for the financing of apartments and other rental quarters often has been of an unsound character. There has been a reluctance of responsible lenders to make high-percentage loans, particularly for large projects where the amounts tied up are considerable; most of the largest rental projects in the past were for families of high incomes, and many of them were financed through misleading appeals to small investors. Through its power to insure mortgages on large-scale housing developments for persons of small income where the owner is a limited dividend corporation, the Federal Housing Administration is encouraging private capital to enter the field. Particular emphasis is given to the matter of sound planning and financing, and to responsible, efficient management.

To date 21 projects involving a total cost of nearly \$42,000,000 and mortgages amounting to \$33,000,000 have been approved and commitments to insure mortgages have been issued. In addition, proposals are under consideration for insurance of underlying mortgages amounting to \$104,000,000 on 52 projects, all of which have undergone preliminary examination. They range in amount from mortgages of around \$100,000 up to \$10,000,000, the limit allowed by the law, with the average around \$2,000,000. Additional applications indicate the possibility of construction running into several hundred million dollars per year.

ENDORSEMENTS OF PROGRAM

The activities of the Federal Housing Administration have received the most whole-hearted endorsement from groups having widely varying interests. For example, a report approved by the Chamber of Commerce of the United States at its latest annual meeting stated:

"The elimination of the second mortgage by the mutual insurance of first mortgages up to 80 percent of the value of the property is an experiment which is worthy of further trial. Accompanied as it is with the assumption of a contingent liability on the part of the Government, there are reasons to believe that this experiment will become an increasingly important factor in the next 2 years in the recovery of small-house construction. The plan definitely reduces the costs of home ownership to the consumer or purchaser who is not in a position to make a down payment of more than 20 percent; that is, to the buyer who ordinarily would need a second mortgage in order to acquire a home. Since second-mortgage financing facilities are not at present generally available, the plan provides an immediate means of obtaining such funds as a part of a single mortgage."

Again, the president of the American Bankers' Association, Mr. Robert V. Fleming, stated to a group of bankers:

"I desire to call your attention to first-mortgage amortized loans on real estate which can be made under the provisions of title II of the National Housing Act. This type of loan is particularly desirable, as there is no industry which can do more to stimulate employment and help in the stability of the country than the construction of homes. Furthermore, title II loans assist in making unimproved real estate liquid, thus supplying an additional purchasing power. I believe the campaign of education which is being carried on in connection with the provisions of the National Housing Act as to the principles of amortization and standardization of appraisals will be most helpful."

A prominent building and loan association official stated:

"The Federal Housing Administration loan is really the 1935 model of the building and loan mortgage. * * * Our association is well satisfied with the reception of the Federal Housing Administration insured mortgage plan by the prospective borrowers. We intend to take just as many loans on this plan as our funds will permit. Our association is quite willing to make loans on the 20-year plan backed up by the Federal insurance giving further protection to the investments of its savings shareholders."

Mr. William Green, president of the American Federation of Labor, in a message addressed "to the men and women of labor" has stated:

"The American Federation of Labor, ever anxious to provide employment for the workers and to improve the conditions under which they and their dependents live and labor, unequivocally endorsed the program of the Federal Housing Administration in its recent convention in San Francisco.

"The Federal Housing Administration has now made effective those provisions of the National Housing Act under which loans for new construction and the purchase of existing homes may be insured, thereby making possible the freeing of billions of money so long withheld from the building industry on terms fair to the borrower and safe to the lender, and opening the door of employment to millions long idle.

"In conformity with the action of the San Francisco convention, I now urge all of our people to get squarely behind the Federal Housing Administration and the building trades in their efforts to revive building and to provide better and healthier housing under these provisions of the National Housing Act.

"The ramifications of the better-housing program are almost infinite. Directly the millions employed in building and in the production and transportation of building materials will benefit. Indirectly those normally engaged in the production and sale of all types of goods and in services will benefit.

"The building dollar is a busy dollar. It is not 'hidden in a bush' or buried in a vault. From the pay envelope it speedily finds its way into the purchase of clothing, of food, of the 1,001 things and services we all require or wish in our daily lives. In turn it makes it possible for those producing, transporting, and selling these goods and services to satisfy their own wants and needs and give employment to others."

Such comments have their parallel in many hundreds of commendatory editorials coming from practically all sections of the daily and periodical press.

CONCLUSION

The rise in residential building which has been so marked during the past 12 months could not have proceeded as it has without the constructive help of the mutual mortgage insurance plan. There was an increase of 172 percent in the dollar amount of residential building permits in 1935 over 1934, and a further increase of 142 percent during the first 4 months of 1936 over the same months in 1935.

Reports of shortages in skilled building-trades labor have been received from many points in different regions of the country. In one city after another housing has come out of reverse and once again is moving forward toward better living standards.

In concrete terms, hundreds of thousands of families are buying or building homes this year, or are refinancing their present homes at lower cost, because they can obtain credit safely and on more reasonable terms than ever before. They are achieving their aspirations for better homes in which to live and to raise their children, and they are able to do it because of the insured mortgage system.

The resulting home building is furnishing a powerful stimulus to recovery in business and employment, and is rightly regarded as holding unique possibilities as a force for continued prosperity in the future. The good work must be pressed vigorously on. The present housing deficit means that there is lost ground to be made up, and demands for new housing, including rental projects, will crowd in faster than we realize with each further step in the recovery of employment. There must be no let-up, no relaxation of effort in the movement to establish home financing and the financing of large-scale rental projects on a thoroughly sound basis. It is unthinkable that the Nation should fall behind when the ground-work for advance has been laid so ably through the far-seeing action of Congress in creating the Federal Housing Administration.

INTERNAL REVENUE TAXATION

Mr. GEORGE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 12395, the revenue bill, there being, of course, no purpose to press for consideration of the bill tonight.

The VICE PRESIDENT. Is there objection to the request of the Senator from Georgia?

Mr. McNARY. Mr. President, is that the revenue bill?

Mr. GEORGE. The revenue bill.

Mr. McNARY. I have no objection.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 12395) to provide revenue, equalize taxation, and for other purposes, which had been reported from the Committee on Finance with amendments.

MINORITY VIEWS ON TAX BILL—SUPREME COURT OPINION IN CASE OF KOSHLAND AGAINST HELVERING

Mr. BLACK. Mr. President, I desire to file, for the Senator from Wisconsin [Mr. La Follette] and myself, from the Committee on Finance, the views of the minority on the tax bill, being the bill (H. R. 12395) to provide revenue, equalize

taxation, and for other purposes. I desire to ask, if it is necessary to do so, that the views of the minority be printed with the majority report.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. HASTINGS. Mr. President, I desire to make a similar request on my own account. I ask leave to file minority views, and ask that they be published with the report of the majority.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. LA FOLLETTE subsequently said: Mr. President, I ask that there be printed in the RECORD the minority views submitted by the Senator from Alabama and myself on the tax bill; and, following that, I ask unanimous consent that there may be printed in the RECORD the decision of the Supreme Court in the case of Koshlund against Helvering, delivered May 18, 1936, which I think will be of interest in connection with this whole tax discussion.

The PRESIDING OFFICER. Without objection, it is so ordered.

The minority views and decision of the Supreme Court are as follows:

MINORITY REPORT ON H. R. 12395

Although we voted to report H. R. 12395 to the Senate, we did so for the purpose of bringing it before this body for discussion and action. We are opposed to the measure in its present form and herewith submit some of our reasons for this opposition.

The President's message asking for additional revenue suggested that the additional amount he deemed necessary at this time might be raised by enacting the proper legislation to prevent tax avoidance, and that this object could be accomplished by imposing a tax on undistributed corporation profits. A tax on undistributed corporation profits must be considered in the light of the fact that it presents a double aspect as to prospective effects.

(a) If corporate profits should be retained by the corporation, the corporate tax would be increased, thereby bringing additional revenue to the Government.

(b) If the imposition of the tax caused a larger distribution of corporate profits, this would increase the amount of income received by individual stockholders. Since all plans contemplate imposing the normal tax on dividends received by individuals, an additional distribution of corporate profits would increase the aggregate amount received by the Government from individual income-tax payers in the higher income-tax brackets.

Let us consider now the effect of the present corporate tax system, the proposal submitted by a part of the Finance Committee, and the principle of taxing undistributed corporate profits as advocated by the President.

Under our present tax system we lay an income tax of 12½ to 15 percent upon the annual profits of corporations. We also impose a graduated income tax upon individuals ranging from 4 to 75 percent. The major portion of America's trade, commerce, and finance is transacted through the medium of corporations. The tax system, therefore, as it relates to corporate profits and individual profits, can function in such manner as to work a gross injustice to a major proportion of individual corporate stockholders and the public and at the same time bestow an unwarranted privilege upon another group of stockholders. This can be readily seen when it is remembered that the individual income-tax rate of those in the higher income-tax brackets may be six times as much as the rate of tax on corporation profits. It is also true that the corporation tax rate may be as much as four times the rate of tax on a stockholder of the corporation who is in the lower individual income-tax bracket.

From this simple statement it is clear that it is decidedly to the interest of individual corporate stockholders in the high income-tax brackets not to receive their share of annual corporate profits into their individual income. They prefer that the corporations should pay a flat corporate rate, whether that rate be 15 or 18 percent, and retain the profit in the corporate treasury rather than to have the profits distributed to these individuals, where they would be compelled to pay an individual tax rate of from 50 to 75 percent of the profits. Thus we find the high income-tax individuals prompted by the most powerful self-interest to have corporate profits remain in the corporate treasury and thus save themselves a large amount of taxes.

Evidence before the Senate Finance Committee showed that approximately 90 percent of all corporate business in the United States is done by 10 percent of the corporations. This 10 percent of the corporations constitutes the smallest number, but their far-flung interests extend into every corner of our country. It is well known that these large corporations doing 90 percent of the corporate business of the Nation are actually controlled by a very small group of stockholders. While there are thousands of small stockholders in these vast corporate enterprises, it is common knowledge that these small stockholders vote by proxy, if they vote at all. They have nothing whatever to do with shaping the policies of these large corporations, either with reference to dividends or anything else. Perhaps not once in 10,000 times do these small stockholders even know the names of the controlling groups ma-

nipulating the corporate profits. As the corporate system actually works in this country, these small stockholders, who are chiefly in the lower income-tax brackets, most frequently have their rights to dividends passed on by these stockholders who are in the higher income-tax brackets, who have working control of the corporation, and who are prompted by the strongest motives to manipulate these corporate profits so that they will not have to pay individual income taxes on them.

By this simple device of retaining corporate profits unnecessarily there has evolved the most stupendous tax avoidance in our history. It is proper to state, however, that it is practically impossible to prove that this retention was not within the law. According to the report of the Treasury Department, made after careful study, the United States Government will lose more than \$600,000,000 during the taxable year of 1937 if Congress permits this unfair and unjust system to continue.

In other words, by amending the law in such way as to require men in the higher income-tax brackets to pay their taxes on the same square and honest basis as men who do not draw profits from corporations, these particularly favored persons will be required to pay \$600,000,000 in additional taxes on individual income.

EFFECT OF COMMITTEE BILL

Since the majority report recommends an increase of a flat tax of 3 percent on corporations it is proper to consider the effect it will have on this situation. The committee bill providing for an increased flat corporate rate does not lessen the unjust result of this evil practice. On the contrary, it exaggerates the injustice. It strikes a wholly unnecessary and deadly blow at many of the 90 percent of small corporate structures now struggling to compete with the larger corporations so well financed with funds often selfishly withheld from their small stockholders. This increased flat corporate rate of the committee bill adds to the actual tax laid upon the corporate profits and thus is an additional tax burden of 3 percent on the gains of the hundreds of thousands of small corporation stockholders in the lower individual brackets. Thus we find the small stockholders, who are in the 4-percent income-tax bracket, whose corporate profits are taxed 18 percent by the committee bill instead of 15 percent, as under the present existing law. We are opposed to adding this heavy tax burden to more than 200,000 small corporations, and thus, also, increasing the burden of tax upon thousands of individuals, small stockholders, and taxpayers, in general, until we first attempt by legislation to collect the more than \$600,000,000 of individual income taxes which those in the higher individual income-tax brackets now escape.

We believe that the small income taxpayers and the small corporations, are unjustly treated by the present tax law and would be more unjustly treated by the committee proposal. Recent history has shown that many who enjoy the largest incomes and who make the most profits, do not, in many instances, pay the most income taxes, because they are able to avoid them under our present corporate tax system.

This was illustrated recently when the country was astonished to know that one of its wealthiest citizens had not paid a dollar of income tax in a year. The corporate device so frequently used for tax avoidance, which we have heretofore outlined, aided materially in bringing about this indefensible situation. The committee's bill, which would increase the flat corporate rate 3 percent upon all corporations and which would impose a 7-percent flat rate upon undistributed profits and 4-percent increase upon dividends received by stockholders, will result in unnecessarily accentuating and aggravating existing tax injustices. A graphic picture of the law as it operates under the present method, as it would operate under the committee's bill, and as it would operate if corporate profits were distributed in line with the President's suggestion, is shown below. In this illustration it is assumed that two individuals own stock in the same corporation, and that their part of the corporate earnings for the year is \$1,000 each. The individual numbered (1) falls in the 4-percent individual income-tax bracket, and no. (2) in each instance falls in the 75-percent income-tax bracket. These illustrations would produce a similar result, if other figures had been selected, although the differences would not be so great.

UNDER EXISTING LAW

Corporate profit of individual	Corporate tax on this profit at present rate if undistributed and tax paid by the corporation	Income tax for individual if dividends distributed and tax paid by the individual
(1) \$1,000	\$150.00	\$40.00
(2) \$1,000	\$150.00	\$750.00

UNDER SENATE COMMITTEE'S BILL

(1) \$1,000	\$237.40	\$40.00
(2) \$1,000	\$237.40	\$750.00

It will be observed from the above illustration that under the Senate committee's bill the stockholder in the individual 4-percent-tax bracket has an additional tax placed upon his part of the

retained corporate earnings of \$87.40 on each \$1,000 of corporate profits. It is also noted that under the committee's bill the stockholder in the 75-percent income-tax bracket would still avoid the payment of more than \$500 of individual income taxes, if his \$1,000 profit should be retained in the corporate treasury instead of being distributed to him in dividends. It is clearly seen from this illustration that the committee's bill would aggravate the existing injustice to the small stockholders and small taxpayers.

As a matter of fact, we believe that the Treasury experts are correct in their conclusion that the committee's bill will not provide any effective incentive for the reasonable distribution of dividends. While the corporation would be subjected to an increased tax of 7 percent on undistributed profits, it is also true that the committee's bill adds 4 percent on the normal tax of the individual where these dividends are distributed to the individual stockholders. This means that if all the corporate profits should be distributed the corporation would not pay the 7-percent penalty, but the individual would pay a 4-percent tax on the dividends. The net incentive, therefore, is a 3-percent tax on undistributed profits. Such a penalty will not cause the controlling group in the higher income-tax brackets to declare dividends, because it is too much to expect that men will deliberately take action that increases their own individual income tax up as much as 500 percent. As a matter of fact, the net result of the passage of the committee's bill will be an ostensible increase of tax upon corporations, but in reality it amounts to an indefensible increase in the tax on thousands of small corporations and small corporate stockholders, while at the same time the committee's bill perpetuates the evils of a tax system under which the largest income beneficiaries in America avoid their fair proportion of tax.

OUR PROPOSAL

We are in full accord with the objective of the House bill to stop the tax avoidance through the corporate device. We believe, however, that the rate schedules provided in the House bill are too complex and too complicated. We suggest, therefore, as a substitute for the House rates on undistributed profits, and as a substitute for the proposal of the Senate Committee, a simple and easily understandable schedule of corporate tax rates. Since we believe there is no justification at the present time for an arbitrary flat increase of 3 percent on corporation taxes when such an increase will fall heavily on thousands of small struggling corporations, we propose to retain the present flat graduated corporation rates of 12½ percent to 15 percent. We propose a plan in line with the President's suggestion, which, according to Treasury estimates, will obtain substantially the same revenue as the increased flat corporation rate proposed by the committee with its 7-percent surplus tax. While our proposal, according to Treasury estimates, will raise \$502,000,000; while the corporate tax plan of the committee, according to Treasury estimates, will raise \$522,000,000, our proposal will not, as does the committee bill, fall with crushing force upon the small corporations and the small taxpayers. It will place a fairer burden of taxes upon the higher income group who have been heretofore escaping from their just burden, and who will continue to escape if the bill reported by the committee is adopted. Our proposal is as follows:

1. Exempt the first \$15,000 of adjusted net income from the undistributed profits tax. Our proposal will therefore permit 90 percent of all of the corporations of the country making \$15,000 or less, to retain all of their profits free from the undistributed profits tax.
2. In addition to the present corporation tax, impose no additional tax upon the first 20 percent of corporate adjusted net income.
3. Impose 20 percent tax on that part of the undistributed adjusted net income in excess of 20 percent and less than 40 percent of such income.
4. Impose 30 percent tax on the remainder of the undistributed net income.
5. Enact the same provision as appears in the House bill for permitting the corporation to comply with outstanding written agreements which prevent a distribution of dividends.
6. Specifically provide that there shall be no undistributed profits tax on stock dividends which are taxable income for the individual recipient because the stock "gives the stockholder an interest different from that which his former stockholdings represented."

Under the opinion of the Supreme Court in *Koshland v. Helvering*, decided May 18, 1936, the Supreme Court decided that stock dividends represented taxable income where they gave "the stockholder an interest different from that which his former stockholdings represented." It is, therefore, beyond any question of doubt, that under our proposal, corporations would be able to retain all money profits needed for carrying on their business without any additional corporate tax. If the exemption of the first 20 percent of profits, and the exemption as to outstanding dividend contracts, were not sufficient to protect the interest of the corporation, it could declare stock dividends of such a nature as to be taxable income in the hands of the individual stockholders without paying additional corporate tax. It cannot be argued that under our proposal corporations would be unable to discharge their obligations or meet business conditions and requirements for expansion.

Under our proposal the Government of the United States would be able to collect a large part of the more than \$600,000,000 in taxes which the most prosperous financial group in the Nation

will inevitably escape and avoid if the corporate tax law remains unchanged or if the Senate committee's bill becomes the law. Our proposal therefore would simply require this group so greatly favored at present to bear their proper proportion of taxes as a result of benefits accruing to them from their share of corporate profits. Our proposal would advance toward the goal of equalizing tax burdens and of requiring an individual to pay a similar rate of tax upon profits accrued from corporation investments as other individuals are now compelled to pay on profits accrued from noncorporate investments.

We do not here consider at any length the uses to which the higher income groups who control large corporate surpluses have employed these surpluses for their own advantage and to the distinct disadvantage of the small stockholders and the public in general. It is well known that these closely controlled surpluses have been availed of for stock-market manipulation to the advantage of the same group that avoided individual taxes by withholding dividends. It is common knowledge that at the height of the stock-market boom the gambling funds of the Street were replenished from these closely controlled corporate surpluses.

It is clear that if we will tax the income, in the form of corporate profits, of this higher income-tax group which is now avoiding the higher individual-income taxes, we need not impose further burdens in this bill on small corporations and upon individuals who are now paying their just share of taxes. We cannot follow the recommendations of the majority, which imposes additional tax burdens on those individuals now paying their fair share of taxes, until we first make a conscientious effort to place a just tax burden on those who today are escaping their share of taxes by retaining more than \$600,000,000 annually which in all equity they owe to the Government in taxes.

Just one example of many possible illustrations will show the enormity and injustice of this tax avoidance. A certain corporation made more than \$6,000,000 net income in one year. This corporation paid Federal taxes that were approximately \$700,000. If the profits had been declared out in dividends, so as to be taxable in the hands of stockholders, one stockholder of this corporation would have paid the Government more than three and a half million dollars in additional individual income taxes. In other words, the graduated individual income-tax brackets for this individual and numerous others are but "paper brackets", and unless and until these "paper brackets" for the favored few become real brackets we consider it unjustifiable to raise the individual income taxes of those who now pay their full share of taxes.

Instances like this could be multiplied. It is typical of the tax avoidances of those who are the most prosperous. The corporate device is now being used to a large extent as nothing more or less than a scheme through which the higher individual income-tax brackets are avoided. The committee bill would permit many persons to continue to escape the payment of just taxes as did the individual in the above case. Evidence before the committee shows that other individuals will escape taxes in this manner at a cost to the Government and an enrichment to themselves of more than \$600,000,000. We cannot recommend a bill which provides for legalized continuation of such an unjust system. The existing law and the committee bill are unfair to the small corporations and to the men and women who now pay their fair share of income taxes without the benefit of this device which brings about such widespread and wholesale avoidance of higher individual taxes. Our proposal, if adopted, would collect the \$600,000,000 of taxes now being avoided by this privileged group.

Supreme Court of the United States. No. 774. October term, 1935. *Corinne S. Koshland, petitioner, v. Guy T. Helvering, Commissioner of Internal Revenue*. On writ of certiorari to the United States Circuit Court of Appeals for the Ninth Circuit. May 18, 1936

Mr. Justice Roberts delivered the opinion of the Court.

The writ of certiorari was granted in this case to resolve a conflict between the decision below¹ and one by the Circuit Court of Appeals for the Sixth Circuit.²

The question is whether, under the Revenue Acts of 1926 and 1928, a taxpayer who purchases cumulative nonvoting preferred shares of a corporation upon which a dividend is subsequently paid in common voting shares, must, upon a sale or other disposition of the preferred shares, apportion their cost between preferred and common for the purpose of determining gain or loss.

The petitioner, in 1924 and 1926, purchased preferred stock of Columbia Steel Corporation. The company's articles of incorporation provided that holders of preferred stock should receive annual dividends of \$7 a share in cash or, at the company's option, one share of common stock for each share of preferred. Dividends on the preferred were to be paid in full before any could be paid on the common; the common had voting rights, the preferred none. The preferred was redeemable at \$105 per share, plus accrued dividends; and upon dissolution or liquidation was entitled to preferential payment of \$100 per share, plus accrued dividends, and no more. The common alone was entitled in such event to the assets of the corporation remaining after payment of the preferred.

In each of the years 1925 to 1928, inclusive, the company had a surplus sufficient to pay the preferred dividends in cash, but elected to pay them in common stock. The petitioner received,

in each of those years, shares of common stock as dividends on her preferred. In 1930 the corporation redeemed its preferred stock at \$105 per share. In computing the profit realized by the petitioner the Commissioner allocated to the common stock so received, in each instance, a proportionate amount of the cost of the preferred stock. He thereby decreased the resulting cost basis per share and increased the gain. The Board of Tax Appeals reversed holding that the dividends were taxable income, were not stock dividends within the meaning of the Revenue Acts,³ and their receipt did not reduce the cost basis of the preferred stock. The Circuit Court of Appeals reversed the Board and approved the Commissioner's action.

The petitioner contends, first, that the dividends she received were not stock dividends exempted from taxation by the revenue acts; and, secondly, if exempted, they were none the less income and cannot be treated as returns of capital in computing capital gain or loss. The respondent answers that the distributions were stock dividends because made in the capital stock of the corporation and come within the plain meaning of the provisions exempting stock dividends from income tax; accordingly, the Treasury regulations have consistently and continuously treated them as returns of capital and required the original cost to be apportioned between the shares originally acquired and those distributed as dividends to obtain the cost basis for the calculation of gain or loss. We hold that the dividends were income and may not be treated as returns of capital.

The Revenue Act of 1913 imposed an income tax on dividends.⁴ In *Toune v. Eisner* (245 U. S. 418), it was held that where a corporation declared a dividend on its common stock, in the form of common stock, the dividend was not income within the intentment of the act. The Revenue Act of 1916 provided that a stock dividend should be considered income to the amount of its cash value.⁵ In *Eisner v. Macomber* (252 U. S. 189), it was decided that a dividend in the corporation's common stock paid to the then common-stock holders, was not income within the meaning of the sixteenth amendment, and therefore the effort to tax such dividends exceeded the power granted by the amendment. It was said that such a dividend was not income because, by its payment, no severance of corporate assets was accomplished and the preexisting proportionate interests of the stockholders remained unaltered. After the decision the Treasury revoked regulations to the effect that a dividend paid in the corporation's stock is income and issued amended regulations, broadly phrased, to exempt all income in the form of stock dividends, whether the dividend shares be of the same class as those theretofore held by the stockholder or of a different class, and prescribing the method of allocating the original cost as between the old and the new stock for purposes of calculating gain or loss upon realization. Subsequently Congress adopted the Revenue Act of 1921 which provided, in section 201 (d): "A stock dividend shall not be subject to tax * * *".⁶ The reason for the exemption was the decision in *Eisner v. Macomber*, supra. The reports of both the House and the Senate committees dealing with the bill state that the act "modifies the definition of dividends in existing law by exempting stock dividends from the income tax as required by the decision of the Supreme Court in *Eisner v. Macomber* (252 U. S. 189)."⁷

Although *Eisner* against *Macomber* affected only the taxation of dividends declared in the same stock as that presently held by the taxpayer, the Treasury gave the decision a broader interpretation which Congress followed in the act of 1921. Soon after the passage of that act, this Court pointed out the distinction between a stock dividend which worked no change in the corporate entity, the same interest in the same corporation being represented after the distribution by more shares of precisely the same character, and such a dividend where there had either been changes of corporate identity or a change in the nature of the shares issued as dividends whereby the proportional interest of the stockholder after the distribution was essentially different from his former interest.⁸ Nevertheless, the successive statutes and Treasury regulations respecting taxation of stock dividends remained unaltered.⁹ We give great weight to an administrative interpretation long and consistently followed, particularly when the Congress, presumably with that construction in mind, has reenacted the statute without change.¹⁰ The question here, however, is not merely of our adopting the administrative construction but whether it should be adopted if in effect it converts an income tax into a capital levy.

¹ Revenue Act of 1928, sec. 115 (f), c. 852, 45 Stat. 791, 822; Revenue Act of 1926, sec. 201 (f), c. 27, 44 Stat. 9, 11: "A stock dividend shall not be subject to tax."

² 38 Stat. 114, 166, 167.

³ 39 Stat. 756, 757. Compare Revenue Act of 1918 (40 Stat. 1057, 1059).

⁴ 42 Stat. 227, 228. The same provision was repeated in all subsequent revenue acts; Revenue Acts of 1924 and 1926, sec. 201 (f); Revenue Acts of 1928, 1932, and 1934, sec. 115 (f).

⁵ H. R. 350, 67th Cong., 1st sess., p. 8; S. Rept. No. 275, 67th Cong., 1st sess., p. 9.

⁶ *United States v. Phellis* (257 U. S. 156); *Rockefeller v. United States* (257 U. S. 176); *Cullinan v. Walker* (262 U. S. 134); *Marr v. United States* (268 U. S. 536).

⁷ See Regulations 65 and 69, arts. 1547, 1548; Regulations 74 and 77, arts. 627, 628; Regulations 86, arts. 115-7, 115-8.

⁸ *Poe v. Seaborn* (282 U. S. 101, 116); *McCaughn v. Hershey* (283 U. S. 488, 492); *McFeely v. Commissioner* (296 U. S. 102, 108).

¹ *Commissioner v. Koshland* (81 F. (2d) 641).

² *Commissioner v. Tillotson Mfg. Co.* (76 F. (2d) 189).

We are dealing solely with an income-tax act. Under our decisions the payment of a dividend of new common shares, conferring no different rights or interests than did the old—the new certificates, plus the old, representing the same proportionate interest in the net assets of the corporation as did the old—does not constitute the receipt of income by the stockholder. On the other hand, where a stock dividend gives the stockholder an interest different from that which his former stock holdings represented he receives income. The latter type of dividend is taxable as income under the sixteenth amendment. Whether Congress has taxed it as of the time of its receipt, is immaterial for present purposes.

The relevant capital gains provisions of the Revenue Act of 1928 are section 111 (a):

"* * * the gain from the sale or other disposition of property shall be the excess of the amount realized therefrom over the basis provided in section 113" * * *¹¹ and section 113:

"The basis for determining the gain or loss from the sale or other disposition of property acquired after February 28, 1913, shall be the cost of such property;" * * * (with exceptions having no relevancy here).¹²

The property disposed of was the petitioner's preferred stock. In plain terms the statute directs the subtraction of its cost from the proceeds of its redemption, if the latter sum be the greater. But we are told that Treasury Regulations¹³ long in force require an allocation of the original cost between the preferred stock purchased and the common stock received as dividend. And it is said that while no provision of the statute authorizes a specific regulation respecting this matter, the general power conferred by the law to make appropriate regulations comprehends the subject. Where the act uses ambiguous terms, or is of doubtful construction, a clarifying regulation or one indicating the method of its application to specific cases not only is permissible but is to be given great weight by the courts. And the same principle governs where the statute merely expresses a general rule and invests the Secretary of the Treasury with authority to promulgate regulations appropriate to its enforcement. But where, as in this case, the provisions of the act are unambiguous, and its directions specific, there is no power to amend it by regulation.¹⁴ Congress having clearly and specifically declared that in taxing income arising from capital gain the cost of the asset disposed of shall be the measure of the income, the Secretary of the Treasury is without power by regulatory amendment to add a provision that income derived from the capital assets shall be used to reduce cost.

The judgment is reversed.

Mr. Justice Stone and Mr. Justice Cardozo are of the opinion that the judgment should be affirmed.

The meaning of the act of Congress exempting stock dividends from taxation as income at the time of distribution has had a practical construction through administrative action and legislative acquiescence. Even though the meaning may have been uncertain in the beginning, it has now become fixed in accordance with long-continued practice. (*Morrissey v. Commissioner*, 296 U. S. 344, 355; *Helvering v. Minnesota Tea Co.* (296 U. S. 378, 384). This is not denied in the opinion of the Court. Congress did not intend, however, when it refused to tax the newly acquired shares as income in praesenti to exclude them from taxation in futuro if disposed of at a profit. A tax upon a gainful use either of capital or of income, when the gain is fully realized, is a true tax upon income and not a capital levy. The question is merely one as to how the profit shall be computed. Following the analogy of *Miles v. Safe Deposit & Trust Co. of Baltimore* (259 U. S. 247, 253), the cost of all the shares is properly distributed between the investment and its accretions, between the old shares and the new. The regulations so provide. Regulations 45, 1916 act, article 1547; Regulations 65, 1924 act, articles 1547 and 1548; Regulations 69, 1926 act, articles 1547 and 1548; Regulations 74, 1928 act, articles 627 and 628; Regulations 77, 1932 act, articles 627 and 628; Regulations 86, 1934 act, articles 115-7 and 115-8.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

¹¹ 45 Stat. 815.

¹² 45 Stat. 818.

¹³ Regulations 74, article 58, 628, and 600.

¹⁴ *Manhattan General Equipment Company v. Commissioner of Internal Revenue*, no. 226, October term, 1935, and cases cited.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar. If there be no further reports of committees, the clerk will state the first nomination in order on the calendar.

COLLECTOR OF CUSTOMS

The legislative clerk read the nomination of A. Miles Pratt, of New Orleans, to be collector of customs, customs collection district no. 20, with headquarters at New Orleans, La.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES PATENT OFFICE

The legislative clerk read the nomination of Justin W. Macklin, of Ohio, to be First Assistant Commissioner of Patents.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Henry Van Arsdale, of New York, to be Assistant Commissioner of Patents.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Floyd J. Porter, of New York, to be Examiner in Chief, United States Patent Office.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. Mr. President, I ask unanimous consent that nominations of postmasters on the calendar be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

That completes the calendar.

RECESS

The Senate resumed legislative session.

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 30 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 2, 1936, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 1, 1936

FEDERAL POWER COMMISSION

Claude L. Draper, of Wyoming, to be a member of the Federal Power Commission for the term expiring June 22, 1941. (Reappointment.)

BOARD OF TAX APPEALS

Arthur J. Mellott, of Kansas, to be a member of the Board of Tax Appeals for a term of 12 years from June 2, 1936. (Reappointment.)

REGISTER OF LAND OFFICE

Mrs. Belle D. Byrne of Bismarck, N. Dak., to be register of the land office at Bismarck, vice Chris Bertsch, resigned.

PUBLIC HEALTH SERVICE

The following-named persons to be passed assistant sanitary engineers in the United States Public Health Service, to take effect from dates of oath:

John J. Bloomfield

Judson L. Roberston, Jr.

Charles T. Wright

CONFIRMATIONS

Executive nominations confirmed by the Senate June 1, 1936

COLLECTOR OF CUSTOMS

A. Miles Pratt to be collector of customs, customs collection district no. 20, with headquarters at New Orleans, La.

UNITED STATES PATENT OFFICE

Justin W. Macklin to be First Assistant Commissioner of Patents.

Henry Van Arsdale to be Assistant Commissioner of Patents.

Floyd J. Porter to be examiner in chief, United States Patent Office.

POSTMASTERS

ALABAMA

James A. Sanders, Beatrice.
Clyde H. West, Center.
Hettie M. Snell, Clio.
Leslie D. Stallworth, Cordova.
James Claude Golden, Dora.
James Davis Hilyer, East Tallassee.
Clellon L. Wager, Heflin.
Albert C. Blackledge, Phil Campbell.

ARKANSAS

David Compton, Bentonville.
Logan Stafford, Green Forest.
Carrol L. Bird, Wilmar.

COLORADO

Leo F. Houston, Sugar City.

CONNECTICUT

Catharine W. Quinlan, North Haven.
James H. Morrissey, Unionville.

FLORIDA

Nancy L. Mims, Deerfield.
Rondal B. Handley, Holopaw.
Claudine J. Hansel, Pinecastle.

GEORGIA

Anna Morrison, Mount Vernon.

INDIANA

Pierre Helms, Centerville.
Jesse L. Hoppes, Farmland.
John F. Mitchell, Jr., Greenfield.
John G. Harding, Kirklin.
Clarence A. Washler, Lynn.
Melvin Woods, Milroy.
Maurice C. Ingerman, Milton.
Albert E. Sewell, Pleasant Lake.
Guy R. Sears, Red Key.
Fred B. Pickett, Richmond.
John E. McFarland, Ridgeville.
Rollin J. Clark, Topeka.
Orvah L. Hindsley, Union City.

IOWA

Raymond F. Sullivan, Afton.
Rex O. Mayhew, Blairstown.
Joseph Benesh, Chelsea.
Palmer H. Hedges, Hedrick.
John M. Stephenson, Mediapolis.

KENTUCKY

Joseph E. Langley, Clarkson.

MAINE

Ralph H. Egan, Ashland.
James G. O'Connor, Bangor.
Herbert Fred Hanson, Belfast.
Arthur J. Remillard, Biddeford.
Ralph H. McEwen, Bowdoinham.
Perl E. Woodbury, Damariscotta.
David H. Smith, Darkharbor.
George R. Desjardins, Old Town.
Ella Mae Quimby, Oquossoc.
Allston M. Hatch, Stonington.
Thomas G. Burdin, Turner.

MARYLAND

Isaac Henry Morris, Federalsburg.
Ethel W. Gallagher, Preston.

MASSACHUSETTS

Eugene J. LeMaire, Fisherville.
George F. McNamara, Haverhill.
John R. Walsh, Topsfield.

MINNESOTA

Claude C. Stubbe, Ashby.
Ethel F. Lerohl, Bovey.
Owen J. Regan, Butterfield.
Milton O. Perry, Dodge Center.
Christopher J. Keefe, Eyota.
Elisha L. Creech, Grand Marais.
Frank M. Holecek, Jackson.
Carl T. Torgerson, McIntosh.
Walter B. Gislason, Minneota.
Dolphin W. Forsmark, Palisade.
Raymond C. Faust, Pierz.
Chester C. Gallagher, Plainview.
T. Donald O'Connor, Renville.
John F. Hawley, Sandstone.
Joseph H. McCaffrey, Wabasha.
Minor Buckingham, West Concord.

MISSOURI

Walter Fraser, Bolckow.
Charles V. Hollady, Illmo.
Anna L. Robinson, Oak Grove.
Willie L. Hixson, Ozark.
Leonard V. Parker, Plattsburg.
Edward P. Mullaley, Sedalia.

NEW JERSEY

Carl Shurts, Lebanon.

NORTH CAROLINA

Robert Boyd Patterson, Littleton.

TENNESSEE

George V. Anderson, Gates.
Hugh B. Milstead, Hornsby.
Allen N. Williams, Newbern.
Hughes H. Hunt, Rives.

VERMONT

Alice C. Carr, Derby.

WEST VIRGINIA

Arling C. McGee, Elkins.
Austin H. Elrick, Gormanania.
Edson Stout, Nutter Fort.
Swepson J. Richter, White Sulphur Springs.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 1, 1936

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

God be merciful unto us and bless us, and cause His face to shine upon us; that Thy way may be known upon earth, Thy saving health among all nations. Let the people praise Thee, O God; let all the people praise Thee. O let the nations be glad and sing for joy; for Thou shalt judge the people righteously and govern the nations upon earth. Let the people praise Thee, O God; let all the people praise Thee; then shall the earth yield her increase, and God, even our own God, shall bless us. God shall bless us, and all the ends of the earth shall fear him. We pray in the name of our Savior. Amen.

The Journal of the proceedings of Friday, May 29, 1936, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6772. An act to amend the Grain Futures Act to prevent and remove obstructions and burdens upon interstate commerce in grains and other commodities by regulating transactions therein on commodity futures exchanges, to limit or abolish short selling, to curb manipulation, and for other purposes.